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IN THIS NUMBER

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Wartime Developments in War Department Organization and Administration

By MAJOR GENERAL OTTO L. NELSON JR.

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IN TERMS of organizational changes and administrative developments, the war has done to the War Department about what one would expect—shaken it up and changed it to a point where it is scarcely recognizable to its intimates of pre-war days.

Sheer physical expansion in personnel employed and office floor space occupied was sufficiently great to require many readjustments. In the mid-thirties there were but a few hundred Army officers on duty in Washington, and the civilian personnel of the War Department numbered but a few thousand. As late as September, 1939, fewer than six hundred Army officers were on duty in Washington with War Department activities. With the fall of France in June of 1940, the very large defense appropriation of September, 1940, and the Selective Service Act which became law in the same month, War Department activities skyrocketed. By June 30, 1941, some 2,500 officers and 22,000 civilians were engaged in War Department business in Washington, and War Department offices had sprawled into many buildings all over the city. By June 30, 1944, the War Department had expanded to the point where some 11,000 officers and 40,000 civilians were required to man its activities in Washington. This physical expansion becomes even more meaningful when it is recalled that as late as 1934 the entire military establishment in the United States and in our overseas territories contained about 11,000 Regular Army line officers—a number equal to that now concentrated in Washington.

Wartime demands for prompt action and the compelling necessity for the coordination of global military operations forced fundamental changes in the organizational structure and administrative procedures of the War Department. It was not that the old organization could not assimilate increased numbers, for it could have done so with little change. There were many organizational forms and departmental procedures which had demonstrated their merit over a long period of years and which were capable of serving wartime needs. Alterations in the pre-war organizational structure had to come to facilitate rapid action, to improve coordination, and, above all, to make the most of that fleeting factor, time, when there was so much to be done and so little time available in which to do it.

Pre-War Ways

DURING the many years before the war when funds for national defense were extremely limited, the War Department tended to become more and more centralized. Questions involving small expenditures, or minor details, and problems affecting a relatively few individuals came all the way to the top for decision. Time was not a compelling factor, and it was prudent to exercise extreme caution.

In peacetime it was customary for a large number of individuals to report direct, as was their right, to the chief of staff. There was no grouping of field commands, such as overseas departments and the nine corps areas in the United States. In addition, the chief of staff of the Army

was not only head of the General Staff but was the military superior of the chiefs of the combat arms of the Army—air corps, infantry, cavalry, field artillery, coast artillery, engineers, and signal corps. Likewise, the chiefs of the supply services—ordnance, quartermaster, medical, and chemical warfare—reported direct to him. The chiefs of a number of separate administrative services, such as finance, the adjutant general, and the judge advocate general, were likewise under his immediate supervision. Finally, the chief of the National Guard bureau, the executive for reserve and ROTC affairs, and the chief of chaplains reported direct to him. In all, there were at least twenty-five officers who in their capacity as staff division heads or bureau chiefs in Washington recognized as their military superior only the chief of staff of the Army.

Administrative practices were well calculated to stress thoroughness and caution at the expense of prompt action. A study prepared by the War Department General Staff presenting a question for the decision of the chief of staff or the Secretary of War was regarded as inadequate and superficial if it were not a voluminous document. Furthermore, it could not be presented until many concurrences from the various interested War Department agencies had been obtained. If the subject was controversial, there were sure to be nonconcurrences, and these involved a further lengthy discussion. The peacetime War Department had adapted itself well to an environment which required that the last cent be painstakingly squeezed out of every dollar.

Adequate interdepartmental machinery did not exist. There were certain joint boards, but there was no effective machinery to facilitate rapid interdepartmental action on matters in which the State, War, and Navy departments were involved. Of course, time was not pressing, and therefore time-consuming and ineffective procedures could be tolerated.

Organization of the Joint and Combined Chiefs of Staff

ONE of the most significant changes induced by war needs was the establishment of the joint and combined chiefs of staff and their supporting agencies in December, 1941. The joint chiefs of staff provided the medium to resolve the top military and related political and economic problems of the United States. Designed primarily to bring the Army and Navy chiefs together, they also facilitated the transaction of business between the military and the other executive departments of the government in those fields closely related to the war effort. By admitting the military representatives of the Allied governments, the joint chiefs of staff transform themselves into the combined chiefs of staff.

The essential elements of the joint chiefs of staff organization are:

1. The joint chiefs of staff, consisting of Admiral Leahy, General Marshall, Admiral King, and General Arnold. Formal meetings are usually held weekly. An agenda is prepared for these meetings and well-documented and thoroughly prepared papers reduce random discussion and pave the way for prompt action.
2. The joint chiefs of staff secretariat, with an officer of the Army and an officer of the Navy as secretary and deputy secretary, and an administrative staff consisting of Army, Navy, and civilian personnel. The office is well integrated, and no distinction is made in assignment to jobs because of branch of service.
3. Joint chiefs of staff committees. Each committee operates under a charter approved by the joint chiefs of staff and consists of Army and Navy officers, who in many instances also have important assignments in a related activity in the War and Navy departments. As a rule, there is a committee for each specific field or area in which the joint chiefs of staff are interested. Thus, there are committees on logistics, adminis-

tration, transportation, production, and strategy, to name but a few.

The organization of the combined chiefs of staff follows the same pattern as that of the joint chiefs of staff. The only difference is the addition of representatives of the Allied Nations to each element of the joint chiefs of staff organization. Thus, when the representatives of the Allied Nations are added, the joint administrative committee becomes the combined administrative committee. The joint and combined chiefs of staff organizational arrangement makes it possible for questions to be considered first on a strictly national basis and then on an Allied basis and has the merit of using the same representatives from the Army and Navy to serve in a dual capacity.

Perhaps the most significant contribution of the joint and combined chiefs of staff organization is that it has provided top-level planning for the entire war effort. The various joint and combined chiefs of staff committees are excellent planning agencies, and the entire organization has been designed to emphasize the planning function. The organization is such that there is no possibility for the planning committees to become operating agencies. After the decision has been made by the joint or combined chiefs of staff, the execution or implementation of an approved plan or directive becomes a responsibility of the War or Navy Department or of an overseas commander. This inability to operate has contributed greatly to the excellence and single-purposeness of the planning function.

An important characteristic of the joint and combined chiefs of staff organization is to be found in the combination of the committees. This can best be explained by an example. For instance, the Army members of the joint logistics committee are, by design, the key logistics officers in the War Department. The head of the logistics group in the operations division of the War Department General Staff, the head of the plans and operations division in the

Army Service Forces, and the key officer on logistical planning in the Army Air Forces, with their counterparts in the Navy Department, make up the joint logistics committee. It is thus possible for them, when the need arises for a subcommittee, to staff it with officers who are working on this problem in their jobs in the War or Navy Department. Thus, the opportunity is provided for a vast amount of preliminary work to be done within the War and Navy departments in order to obtain first of all a complete treatment of the problem along comparatively narrow lines. The Army Service Forces representative can be relied upon to develop his side of the problem; the Army Air Forces representative, the air side; and the representative from the operations division of the War Department General Staff will stress the operational or strategic aspect. The same kind of treatment occurs in the Navy Department. Then the Army representatives determine the Army position, while the same process is occurring in the Navy Department to establish the Navy view. In an appropriate subcommittee, or in the joint logistics committee, the air, ground, sea, and supply views of the problem are put together. The opportunity is present to resolve at the lowest practicable level differences which might exist in the various viewpoints. By informal methods the working members can ascertain the views of their respective superiors. At this level difficulties can be surmounted and disagreements resolved with comparative ease. This is in sharp contrast to the difficulty experienced in reconciling diverse views when each separate opinion is processed through the various echelons to the highest level, and the attempt then made to secure agreement after a firm position has been taken by the interested parties.

When a joint chiefs of staff committee completes its work on a project, a report in the form of a formal paper is made to the joint chiefs of staff. Committee reports evidence thorough study and careful workmanship. The reports are mimeographed

and circulated for study. The subject then becomes a proper question for decision by the joint chiefs of staff, and the paper is placed on the agenda of a formal meeting.

The format of joint chiefs of staff reports deserves description and comment. Because the number of papers turned out by joint chiefs of staff committees has steadily increased, efforts have been made to make them as easy as possible to study and digest. The reports must follow a standard form, which is a refinement of what the Army has prescribed for many years for staff studies. Instructions prescribe that the report proper should not exceed two legal-size pages in length, double spaced. In the heading of the paper there occurs the joint chiefs of staff number given the paper, the security classification, and the name of the committee making the report. At the beginning of the report proper is the caption "The Problem." Under this, in one or two brief sentences, is stated the problem on which recommendations are being presented. The next main caption is "Facts Bearing on the Problem," and under it are enumerated tersely and in logical order the pertinent facts produced by the committee. Where extensive data must be furnished and where considerable discussion is required, the additional information appears in the form of appendixes, and reference is made by calling attention to Appendix A, B, C, D, as the case may be. Under the next main caption, "Conclusions," are listed conclusions inferred from the pertinent facts. The next main heading is "Recommendations"; here is stated clearly the action recommended. Where the action includes the recommendation that a letter be dispatched by the joint chiefs of staff to the State Department, for instance, or where a directive must be issued, such a letter or directive is present in the form of an appendix. In some Army circles this style is termed "Completed Staff Procedure." There are many advantages to such an arrangement. The main issues are presented tersely, additional details being

included in an appendix. The recommendations carry with them the means whereby the recommendations may be implemented.

The joint chiefs of staff and the combined chiefs of staff organization has facilitated greatly the transaction of interdepartmental business of a military nature among the various executive departments of the United States Government. Likewise, the machinery has facilitated the handling of complex military questions involving the Allied Nations. In fact, there are some who say that this organization has provided such an excellent medium that in many instances the executive departments of the government have relied somewhat too extensively on the joint chiefs of staff and have addressed inquiries to them which could have been referred more appropriately to the Secretary of the Navy or the Secretary of War or to both. Some observers believe that the joint chiefs of staff organizational and procedural pattern might well be followed by the executive departments of the government. A similar system of interlocking committees, formalized reports, and an able secretariat might be of considerable assistance to the Cabinet and to interdepartmental action.

The War Department Reorganization of 1942

THE War Department reorganization of March, 1942, was no less important than the establishment of the joint and combined chiefs of staff organization. The purpose of the reorganization was to effect necessary decentralization and to reduce greatly the number of individuals reporting directly to the chief of staff. Pursuant to Executive Order No. 9082, Circular No. 59 was published on March 2, 1942. For the past two and one-half years this terse circular of ten pages has supplied the guiding principles and basic organization under which the War Department has functioned. Authority to act upon matters relating to the training of the ground combat arms—infantry, cavalry, field artillery, coast ar-

tillery, tank destroyer, and armored force—was delegated by the chief of staff to the commanding general of the Army Ground Forces. To the commanding general of the Army Air Forces was delegated the responsibility to procure and maintain equipment peculiar to the AAF and to provide AAF units properly organized, trained, and equipped for combat operations. The commanding general of the Services of Supply (now the Army Service Forces) was given the mission of providing services and supplies to meet military requirements, except those peculiar to the AAF. Under the commanding general of the Services of Supply were grouped the supply services—ordnance, quartermaster, engineers, medical, signal, and chemical warfare; and the administrative bureaus—finance, adjutant general, chaplain, and judge advocate general. Certain field commands, such as corps areas, general depots, ports of embarkation, and other miscellaneous activities, were placed in the Services of Supply. Thus the number of individuals directly responsible to the chief of staff was reduced sharply. Only the commanding generals of the three major commands, the commanders of overseas theaters, and the assistant chiefs of staff who head the five War Department General Staff divisions report direct. By this reduction in the span of control of the chief of staff, the reorganization permitted the chief of staff to concentrate on the broad aspects of planning and developing the military program and to guide the strategic conduct of the war. The War Department General Staff developed and coordinated policy; the overseas commanders and the commanding generals of the three major commands in the United States carried out policies and strategic directives under very wide grants of authority.

Such was the urgency for speedy action that the reorganization intentionally over-emphasized decentralization and the delegation of authority to subsidiary echelons. It was possible to solve many questions at lower organizational levels, and the trans-

action of War Department and Army business was greatly expedited. Because of the degree of decentralization there had to be some sacrifice in the degree of coordination to be obtained.

In the early days of our preparedness program it was necessary for the War Department General Staff, in the absence of other coordinating agencies, to extend its planning and coordinating functions into the field of operations. This was particularly true in the supply field, and the supply division, G-4 of the War Department General Staff, was considerably involved in operational functions inasmuch as the chief of ordnance, chief of engineers, the quartermaster general, and the other chiefs of supply services had no common superior short of the chief of staff to integrate their operations. Similar operating necessities had forced the training division, G-3 of the War Department General Staff, and the personnel division, G-1 of the War Department General Staff, to spend a great portion of their time and energy in day-to-day operations. There was too little time left for the planning and coordinating function for which the General Staff was established. With the establishment of the Army Ground Forces, Army Air Forces, and Army Service Forces in March, 1942, the War Department General Staff divisions were freed from the tyranny of pressing day-to-day operations and were able once again to return to their planning and coordinating activities.

To coordinate military operations the reorganization established in the War Department General Staff an operations division, which replaced the war plans division. Here was placed the responsibility to transmit and to coordinate all the instructions and directives which were sent to the various overseas theaters and to the defense commands in the United States for the conduct of military operations. The operations division became the central agency in the War Department through which all instructions to overseas theaters had to be

channeled. By monitoring all incoming and outgoing messages from and to theaters, the operations division made certain that a theater request did not go unanswered and that conflicting instructions were corrected. In the strategy and policy group of the operations division there was established the required staff assistance to prepare the necessary strategical directives for the chief of staff.

A much sharper definition of function resulted from the War Department reorganization. This can best be illustrated by the manner in which the Army Ground Forces have been able to focus their entire attention on the training of AGF units. Under General McNair there was great singleness of purpose and literally no diversion from the all-absorbing task of providing in a minimum of time trained AGF units which would be ready for combat. The excellent manner in which our divisions have acquitted themselves in battle is a tribute to the advantages to be gained by concentration of effort.

The 1942 reorganization made possible the utilization of very different techniques under common policies. It is surprising what distinct personalities the Army Ground Forces, the Army Air Forces, and the Army Service Forces have developed in spite of the fact that they are all members of the Army family. As one would expect, the Army Ground Forces have been generally conservative because their tactical doctrines and organizational forms were well established and the need for change has not been great. Because there were few radical departures from previous methods or organizations, the AGF made few errors. The Army Air Forces, on the other hand, were in a period of very rapid development, and it was necessary for them to make many radical departures from past practices and to experiment boldly in nearly all fields of AAF activity. The Army Service Forces had the pressing task of standardizing and unifying the various supply activities and made the most of this opportunity by the

establishment of such ASF staff agencies as the control division, the plans and operations division, and the materiel division.

Administrative Adjustments and Improvements

MANY administrative adjustments and improvements have been made to expedite the transaction of War Department business. Because administrative procedures may change an organization completely and make it function very differently from the manner in which the organization chart would lead one to believe it functions, it is important to note a small portion of the many administrative adjustments which have been made in the War Department. Their cumulative effect in improving the transaction of business has been equal to if not greater than the changes in organization.

Substantial improvements have been made in the manner in which necessary information is collected, digested, summarized, and presented to those who must make decisions. Because decisions can be no better than the information on which they are based, very considerable attention has been given to the provision of information in such a way that those who must make the decision have the time to deliberate and to consider the pertinent facts thoroughly. The system in vogue in the War Department is used with appropriate variations by the principal officers, and for this reason the procedure can be illustrated by describing what is done for the chief of staff.

There is available for the chief of staff each morning the messages of importance on operational matters which have been received during the preceding evening and night. At stated intervals during the day additional messages are delivered. In this way the chief of staff is kept informed of important developments in overseas operations and domestic business. The other principal officers of the War Department receive copies of messages concerning ac-

tivities in which they have responsibilities. What they receive is tailored to fit their job, and the coverage of messages which they receive may be less complete on the over-all picture but more detailed with respect to their particular interests. The perusal of these messages takes only a few minutes at stated intervals during the day, but the reading is rarely bypassed no matter how busy the day.

The routing and distribution of these messages is an activity which is carried on under the immediate direction of the secretary of the General Staff. Much has been done to improve this work. Prior to the reorganization several different agencies were involved. There was no adequate system to determine who should receive copies of messages and who was responsible for initiating action. At one time only one copy was made, and it was the responsibility of the recipient to make additional copies if they were needed for the information of other agencies. There was no effective means to follow through to see that necessary action was taken in every case. The determination of the security classification to be used and the priority to be given in transmission was largely a matter of individual choice. The present practice is to send the action copy to the proper staff agency or command and informational copies to those agencies which are interested. The distribution is indicated on the message. When needed, additional copies can easily be obtained without the necessity for retyping. The appropriate theater section in the operations division of the War Department General Staff checks on the messages and makes sure that none goes unanswered. Deviations from established policy are called to the attention of the secretary of the General Staff, who causes corrective action to be taken.

At a daily operational conference a comparatively few officers present to the principal military and civilian officers of the War Department the world-wide opera-

tional picture. Maps and charts, supplemented by an oral presentation, are used to describe military operations of the preceding twenty-four hours. Enemy capabilities are analyzed. The progress of our forces is studied. Discussions take place on matters on which action is pending, and instructions are issued to implement decisions which have been made. Because of the effectiveness of the graphical and oral presentation, it is possible to present in a comparatively brief space of time a great mass of information on activities which are taking place all over the world.

Still another administrative adjustment which the war forced on the War Department and which has greatly expedited the transaction of business has been the practice of briefing orally the principal military officers in the War Department on matters requiring their decision or on which they should be informed. Papers requiring the signature or the attention of the principal War Department officers are accompanied by a short half-page brief. Brevity is stressed by the requirement that any paper in excess of one page in length be accompanied by a summary sheet which, as the name implies, gives a terse summary of its contents. The number of papers which come to the office of the chief of staff for action by the chief of staff or the deputy chief of staff has been reduced considerably by the War Department decentralization. Subordinate commands now take final action on many questions previously referred to the office of the chief of staff. Within the War Department General Staff the assistant chiefs of staff who head the War Department General Staff divisions act for the chief of staff and the deputy chief of staff on many questions where the action to be taken is fairly well established by existing policies, and on such questions it is not now necessary for the chief of staff or the deputy chief of staff to review the action taken by their principal assistants. A comparatively large number of papers still come to the office of the chief of staff, and the more im-

portant of these are presented orally to the deputy chief of staff for his information or decision.

Prior to the 1942 reorganization the volume and method of handling of business coming to the office of the chief of staff required the services of three deputy chiefs of staff and some five or six assistant secretaries of the General Staff, who presented a summary of each paper to the various deputy chiefs of staff in the morning and re-presented the more important papers to the chief of staff in the afternoon. It is now possible for one deputy chief of staff to act on the papers, and the time required is not excessive. When the deputy chief of staff believes it necessary, the problem is presented to the chief of staff for his decision or information in the form of a terse written brief which states the problem, presents the pertinent facts, gives the recommended action, and states who concurs in the action recommended.

There have been other improvements in staff procedure which have assisted in expediting business. Included as an integral part of staff studies are the necessary implementing papers to be signed or dispatched. In addition, all papers must indicate what other offices have concurred in the paper. In peacetime the practice was to obtain formal written concurrences and nonconcurrences, and further lengthy comments were made by the originating office on the various nonconcurrences. The present practice is to obtain concurrences and resolve differences by conference. There still remain, however, some highly controversial papers on which it is not possible to eliminate nonconcurrences. Efforts have been made to ensure that all interested agencies are informed on policies. Subordinate offices are encouraged to act on matters which are covered by policies and to send information copies of action taken to the office charged with the coordination.

One of the necessary concomitants of decentralization is the urgent requirement to keep individuals and agencies informed

concerning current business. Unless they are so informed, individuals who have been authorized to take action in accordance with policy do not act in a uniform manner, and confusion results from conflicting instructions and actions. All are so busy and so completely involved in their own particular spheres that it is a continuing problem to keep them generally informed. However, without such information intelligent action in specific areas is difficult. A description of the general council illustrates how the War Department attempts to use conference methods to keep interested agencies informed. The general council meets weekly on Monday morning. The deputy chief of staff presides, and the heads of all the War Department general and special staff divisions and the chiefs of staff of the Army Air Forces, Army Ground Forces, and Army Service Forces attend. In all, some eighteen to twenty individuals are present. The deputy chief of staff opens the meeting by discussing matters of current interest, issuing instructions, calling attention to unfavorable performance in specific areas, occasionally commending individuals or offices for particularly favorable performance, and issuing information on important policies which are under consideration or which have been changed by important decisions. Each of the members present summarizes the principal items of business transacted and policies established by his division during the past week. A presentation is made of world-wide military operations during the past week. The discussions and comments are published as the *Minutes of the General Council* and normally require some twenty-five to thirty-five pages. Appendixes of from five to fifty pages include statistical data on items of interest and trends to indicate performance. As an example, there are published monthly the performance data on the time required to handle correspondence received by the Secretary of War or the chief of staff and sent to various agencies for information on which to base a reply or for

preparation of reply. These data show how long it takes each office to answer correspondence, and by publishing this information monthly and showing trends it has been possible to reduce the average time required to handle correspondence of this type from an average of six or seven days to an average for the month of November of two and one-half days. A similar record is maintained and published on staff studies and other questions which have been pending for more than twenty days in any office. There is also published monthly a detailed analysis of War Department military and civilian personnel on duty in Washington, inasmuch as the War Department is making every possible effort to keep this figure to the minimum. Likewise there are published monthly statistical data on the world-wide strength and deployment of the Army, emphasis being placed on maladjustments, overstrengths, and understrengths.

One hundred copies of the *Minutes of the General Council* are published and are distributed by eight o'clock Tuesday morning. Each division of the War Department general and special staffs receives copies, which are read by the various officers who do not attend the general council meeting. Copies are also sent to the three major commands and are circulated by them through their staffs. In many instances conferences are held by other agencies, and at these conferences pertinent parts of the *Minutes of the General Council* are passed on to the individuals present as a preliminary to a more detailed discussion in the particular field of interest. For example, the assistant chief of staff for personnel of the War Department General Staff assembles all his officers on Tuesday morning and discusses the principal items of interest to the personnel division which were mentioned in the general council, together with such additional instructions as he wishes to give to his officers. Normally, the commanding general, Army Service Forces, holds a conference which is at-

tended by the chiefs of the principal divisions under his command on Tuesday morning. At this time matters of interest to the ASF are discussed. Innumerable other examples could be given. The point to be emphasized is that any program of decentralization must be accompanied by strenuous efforts to disseminate information in order that the decentralization may not result in uncoordinated action.

Substantial progress has been made in the use of statistical reports, graphical presentations, and oral presentations to expedite business. At first the pictorial methods in vogue in industry made the Army's best efforts appear shabby, but the comparison is no longer unfavorable. In describing military operations, terrain, shipping and airplane performance, production, and a host of other items, one picture has been worth ten thousand words and the Army has gone in for pictures in a big way. So effective has been the use of graphical presentation in the War Department and in the Army that visual training aids, film strips, and motion pictures are used to an extent undreamed of in civilian educational and industrial circles.

Statistical data and trends have been used with marked success by the Army Service Forces as a tool of management. The control division of the ASF issues monthly a series of reports called "Progress Reports," which cover the field of procurement, storage, health and medical services, transportation, delivery of critical items, and many other ASF activities. By showing requirements, levels of supply, and production, the performance record is easily determined. By comparing the hospital patient loads with the available hospital beds, the adequacy of existing facilities can be tested and a determination made concerning the necessary margin of safety. In a great many instances the ASF has used graphical methods to portray effectively the story of production and supply.

The problem of presenting the strength and deployment of the Army has become

very complex and for a long period there was a considerable amount of what might be called statistical double talk on this subject. Because there were so many conflicting figures based on differing interpretations, the strength accounting and reporting office was established as a part of the office of the deputy chief of staff. The data on the strength and deployment of the Army are issued monthly and are made available for the use of the various War Department general and special staff divisions. Planned strength and deployment are contrasted with actual strength and actual deployment, and the discrepancies and dislocations between the two are pointed out.

Illustrative of the complex problem of personnel control in the Army is the replacement question. Units overseas must be maintained at full strength, and for this purpose replacements must be trained and on hand in sufficient quantities at the right time and place to offset losses. A minimum of twenty-six weeks is required to train and ship replacements to the overseas theaters where they are needed. Planning data are obtained from the overseas theaters where the casualty estimates and nonbattle loss estimates are tied in with operational plans. Consolidation and adjustment of these estimates then determine the number of men who must be placed in replacement training centers for the seventeen-week course of instruction. When the training has been completed and the men are sent overseas so as to arrive sufficiently in advance of the time when they will be needed, conditions have usually changed, with the result that the actual requirements vary considerably from the estimated requirements. Thus, in any given overseas theater there may be more artillerymen of a certain type than are needed and far too few of other types. A temporary overstrength in a certain category of replacements in Europe cannot easily be shifted to the Pacific. For this reason, elaborate statistical data must be maintained in order to control the flow of replacements in such a manner

that the right number of the many types of replacements will be on hand at the right time and at the right place.

The Army Air Forces established a statistical control division at the time of the 1942 War Department reorganization in order that properly trained personnel of the many varied specialized skills required would be on hand to match the production of planes. Very careful programming was essential. Activation of a heavy bombardment group or a fighter group on a certain date requires a host of actions months previous to insure that properly trained personnel in all the many categories will be on hand and that there will be available not only the planes but also an air installation with proper facilities, runways, and hangars to accommodate the units. To make the AAF program more difficult, it was subject to many changes caused by operational developments. It was therefore necessary for the statistical control division to initiate a number of standard reports on aircraft, equipment, supplies, training, operations, and housing. The personnel reporting system of the statistical control division is such that action may be taken by each echelon of command in connection with the flow of facts. Thus, all echelons operate in conjunction with each other, and responsibility for action and planning can be decentralized to the maximum extent consistent with the means available to meet shortages and to ship personnel.

In addition to its reports on personnel and training the statistical control division in the air technical service commands operates a reporting system on parts consumption, inventory, and procurement and thus provides key management data to control the purchase, storage, and issue of over 500,000 separate items of supply. In order to provide needed reports and analyses for field agencies and commands, the statistical control system was designed to be sufficiently flexible to care for the varying needs within each subordinate command and yet retain the means to insure technical control

and to provide over-all data needed by the headquarters of the AAF.

To insure maximum usefulness of the data collected by the statistical control division of the AAF, Dr. E. P. Learned of the Harvard Business School was designated as the advisor for program control. The office of program control was given the task of analyzing and extending the basic data in accordance with the staff plans furnished by the various planning agencies of the AAF. This coordinating service was necessary because the complexity and size of the job required that staff planning and the implementation of plans be divided among a number of staff and operating agencies. Program control supplies an over-all analysis of the AAF program in order that the interested planning and operating offices may know how closely the actual program resembles the planned program and what additional steps must be taken to insure a coordinated flow of aircraft, equipment, and trained personnel to meet present requirements and future plans.

During the past two years there have been many administrative improvements in the method of preparation and the form of certain key planning documents. Each of the War Department general and special staff divisions is responsible for the maintenance of master planning documents which are used to plan and control the strength, deployment, and supply of the Army. At one time these planning documents could be prepared and maintained by manual methods. With the increases in the size of the Army, with continual changes being made to meet operational requirements, and with the necessity of tailoring standard Army units to meet the peculiar requirements existing in some theaters, manual methods became inadequate, and a machine records system was installed. Not only is it necessary to correlate the planning documents with one another, but it is also important to compare present with planned developments. A continuing program to improve the correlation of War Department

General Staff planning documents has been in effect for the past year, and many improvements have been made. As the Army approaches full deployment, changes become more difficult in that increases in resources and personnel for one theater can be made only when it is possible to make compensating decreases elsewhere. Likewise, deviations from plans become more serious in that an overstrength or an oversupply in one area results in an understrength or an undersupply in another.

Staff Supervision

STAFF supervision by the War Department General Staff has always been subject to varying interpretation. The planning role of the staff has always been accepted, but there has always been a disposition to question the extent of its supervisory role. With the establishment of the three major commands in the United States, and with the prominence of the overseas theaters, the tendency has been for the War Department General Staff to respect the command prerogatives of the commander concerned and to accept the philosophy that commanders will comply with War Department directives. Where special conditions have arisen, and where it has appeared likely that the commander concerned might have difficulty in implementing a directive, War Department General Staff supervision has been extended to the point necessary to obtain a close check on performance. A few examples will serve to illustrate types of staff supervision occasioned by war developments.

For many years the Army has used the inspectors general's department to make routine, annual, administrative inspections and to investigate specific incidents or special conditions which appear to be unsatisfactory. During the war the inspector general has been requested on many occasions to check performance and to ascertain how effectively staff directives have been implemented. In carrying out this role there have been some important develop-

ments in the exercise of staff supervision. For instance, an important directive on supply levels and supply procedures was issued on January 1, 1944. The task of implementing this directive was difficult and required that the instructions be transmitted to and understood by many echelons not only in the United States but all over the world. The inspector general was therefore instructed to devise a system of inspection and supervision. To determine how thoroughly the directive was being implemented, frequent reports were requested in order that remedial action could be directed in areas where progress in carrying out the directive was not satisfactory. The task given to the representatives of the inspector general's department involved inspection schedules of gigantic proportions. The implementation of the directive was satisfactory only because the staff supervision given by representatives of that department was excellent.

Early in the war it became necessary to initiate staff supervision to make sure that troop units going overseas were adequately trained and equipped. The deputy chief of staff was given the responsibility of personally approving the clearance of every unit prior to overseas shipment. It was therefore necessary to establish a system of supervisory controls in which the inspector general played a most important part. The system required that a status report describing the condition of the unit be submitted by the commanding general of the major command responsible for the training of the unit. This report listed the pertinent information concerning the unit, such as the efficiency rating of the unit commander, a summary of the training that had been given, the percentage qualifications of the unit in the weapons which had to be fired, a statement that the training required by mobilization regulations had been completed, and a statement that all required equipment was on hand or that it would be furnished on a certain date. These reports were excellent, but because they were made

by the commander who was responsible for the training, it was considered desirable to obtain the comments of a disinterested agency. For this reason, it was required that an officer of the inspector general's department spend several days with the unit in order to make a detailed inspection on the basis of which an independent report was submitted. The report indicated all deficiencies which had been observed in the unit and ended with a statement that the unit was or was not qualified for overseas shipment. The status report which was submitted by the responsible major command and the report of the inspector general were then considered at the same time, and together they furnished the information necessary to make a decision to approve the shipment of the unit overseas or to require that it be deferred in order to make further training possible. There were many instances where both the status report and the inspector general's report indicated deficiencies which were to be remedied by the direct shipment of equipment or supplies to the port of embarkation. It therefore became important to ascertain if certain critical equipment was actually received by the unit before it got on the boat. The services of the inspector general were utilized to obtain a final, independent check, which was made at the time the unit embarked. Undoubtedly these numerous inspections were onerous to individual commanders who were hard pressed to prepare their units in a very short period of time. However, the inspection system assisted in raising the standards. The knowledge that a unit would have to pass a severe inspection acted as an effective spur. The few horrible examples that were discovered were made the subject of drastic remedial action, not only with respect to the unit concerned but with respect to the individuals and staffs whose supervision should have produced more acceptable units.

The wartime shortage of manpower was responsible for the establishment of another

General Staff agency whose primary duty was staff supervision. In order to exploit all opportunities to save on manpower, the War Department Manpower Board was established in Washington with field sections in various parts of the United States. The board reports directly to the chief of staff and is given free rein in making manpower surveys to ascertain where personnel savings can be made. After surveying a number of the same type of installations throughout the United States, the War Department Manpower Board sets up a yardstick which it uses as the basis for personnel manning in a given type of installation. It then applies that yardstick and submits recommendations on personnel economies which, in its opinion, can be made. The board through a voucher system establishes a ceiling on the number of personnel which can be employed, and it administers for the War Department the provisions of Public Law 49, which requires that personnel reports on civilian employees be made to the Bureau of the Budget and that the number of civilian employees be maintained within a prescribed number. The War Department Manpower Board does not attempt to tell any operating agencies that some of their activities should be discontinued. It accepts what the agency says it must do in terms of work output. It does, however, measure carefully the personnel needed to carry out the work which has been assigned. As a result, the War Department Manpower Board has been able to effect marked reductions in personnel. In many instances the major command or the operating unit has resisted what it has sometimes believed were arbitrary cuts which would impair its efficiency. Far more numerous, however, are the cases in which the agency concerned has welcomed the analysis made by an impartial staff agency and has accepted its recommendations with appreciation.

It is proper that staff supervision by War Department general and special staff agencies should be relatively limited. The three

major commands have developed many more staff agencies to exercise staff supervision. Significant examples of these are the management control division of the Army Air Forces and the control division of the Army Service Forces. These divisions have as their principal functions the analysis of existing procedures and organization and the inauguration of improvements to increase efficiency. Their contributions in introducing improved administrative procedures and in carrying out work simplification programs in many areas have been particularly outstanding.

There are many other areas, both in Washington and in the field, which deserve to be mentioned because of improvements made in organization and administration. Only a representative cross-section can be reported, and much that is significant must be omitted. The fact is that, fortunately for the Army and the War Department, the war has brought revolutionary change for the better in the transaction of military business. Wartime expansion and the compelling necessity to make the most of time available forced everyone to seek new and more efficient ways. Civilian experts in many fields became soldiers and brought their civilian techniques to improve Army ways. Where outside assistance was needed, the Army frequently sought the advice of recognized authorities in the field. In Washington the administrative management division of the Bureau of the Budget on many occasions made available the services of its key personnel to assist in an organizational study of some phase of War Department activity that needed to be improved. Many other examples of outside assistance could be cited.

It would be wrong to assume that the War Department has no unsolved problems in organization and administration and that all agencies are operating at optimum efficiency. This is not the case, of course, and it is of interest to point out in conclusion some of the areas where problems are still present.

*Unsolved Organizational and
Administrative Problems*

THE War Department reorganization of 1942 and the establishment of the joint chiefs of staff organization solved many old problems; but in the process there arose, as could be expected, some lesser problems to be solved.

To insure decentralization and the withdrawal of the War Department General Staff from operating activities, the reorganization of 1942 deliberately went further than a happy medium. Not only were the War Department General Staff divisions pruned of the bulk of their personnel, but there was some disposition to usurp some of their rightful planning and supervisory functions. In establishing the joint chiefs of staff organization, it was to be expected that a considerable amount of staff planning would be transferred from War Department General Staff divisions to joint chiefs of staff committees. In many instances it was desirable for the Army members of the joint chiefs of staff committees to come from the three major commands, in order to bring into the planning phase the viewpoint and the intimate knowledge of details of officers from the operating commands. When the three major commands (Army Air Forces, Army Ground Forces, Army Service Forces) absorbed the fifteen arms and supply service organizations in the 1942 reorganization, it was necessary for each of the new commands to establish a planning and coordinating staff. Thus the War Department General Staff divisions found themselves boxed in between the planning committees of the joint chiefs of staff and the planning and policy staffs of the three major commands, which, being new, were inclined to make the most of the opportunity to preempt as large a part of the policy field as possible. Under these circumstances the War Department General Staff divisions, other than the operations division, had for a considerable period a continuing struggle for existence. In many

respects, however, this was a healthy experience.

With the establishment of the three major commands in the United States and with the necessity of according overseas commanders all possible freedom of action, staff coordinating and supervisory activities have naturally lessened. This was proper in that wartime exigencies demand that there be a minimum of interference by staff agencies. The danger is that the Army may go too far in its ideas of command immunity. All commanders wish to be left alone, to have the unquestioned right to determine the requirements of their jobs, and to be the sole judges of the methods to be used. The concept that a commander is to be judged solely on the basis of success or failure and that he be left alone in the interim has a very considerable appeal. Up to a certain point the doctrine is sound; carried to an extreme, it can be disastrous.

The reorganization created a troublesome problem by the grouping of all common administrative services under the Army Service Forces. The problem here was the extent to which command and administrative management incident to command could be separated. The purpose of the separation was to free commanders from onerous details and to enable them to concentrate on their tactical or training job. These objectives, of course, were highly desirable, but the claim was made not infrequently that some of the administrative services represented such effective controls that whoever possessed these powers commanded in fact. Closely related to this problem was the difficulty attendant upon separating administrative channels from command channels.

The problem of streamlining War Department agencies continues to be difficult. It is appropriate that officers in charge of specific activities should carry their enthusiasm for their work to the point where they expect their activity to win the war singlehandedly and where their personnel requirements reflect that state of mind.

Some term this "empire building." It is not the extreme case that is so difficult to correct. There is a tendency in most offices to err on the side of self-sufficiency and to be organized to handle not only the main job but all the sidelines which appear to be desirable auxiliaries. The result is overlapping and duplication. This problem is particularly difficult in government, where there is no cost-accounting system and where the imponderables are such that it is extremely difficult to evaluate properly the claims for more personnel and additional facilities to undertake desirable projects. Through the various management and control divisions the War Department has made some progress in eliminating overlapping and in curbing the personnel requirements of over-enthusiastic operators. However, the common cry on all sides is still for additional personnel, additional funds, and additional office space. Developments in streamlining will be interesting to observe both after the fall of Germany and after the defeat of Japan.

Only in wartime has it been possible for substantial change to occur, and this fact emphasizes what might be termed the difficult role of the innovator in public administration. In peacetime the administra-

tive difficulties incident to effecting needed improvements are very considerable, and the scales are heavily weighted to favor caution, delay, and retention of the obsolete. While wartime changes have not always been easy to make, the fact remains that change has been the rule and the status quo the exception. The suggestion program in the War Department has produced many worthwhile suggestions which when implemented have increased materially the efficiency of operations. During the war staff agencies in Washington and commands in the field have acted promptly to exploit the benefits of new techniques. In equipment and in weapons there has been no disposition to retain the model in production or the procedure in use in the presence of substantial improvements. Obstacles impeding change have been surmounted when the change promised material improvements. The principal officers in the War Department not only have been willing to try new methods but also have inspired subordinates with a zeal to effect improvement. It is to be hoped that the advantages of this condition will become so apparent that this time there will be, as there has not been before, a carryover into peacetime.

Executive Management and the Federal Field Service

By EARL LATHAM

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THE field forces of federal agencies constitute approximately 92 per cent of the total federal government population, according to civil service data for August, 1944. Despite the fact that only a fraction of the personnel of federal agencies is located in the Washington metropolitan area, there has not been developed a sound body of writing on tested experience with federal field problems. Much has been said and written on administration from the central office point of view, but the areas of darkness on field problems are vast. When, for example, should the geographic pattern of field offices of two or more federal agencies be made to correspond with each other?¹ The regional headquarters for thirty-three of the biggest federal agencies are located in fifty-five different cities. It is easy enough to pick out the ten cities most frequently chosen for regional headquarters, but there is very little pattern in the remaining forty-five. The ten most frequently selected are Chi-

cago, New York, San Francisco, Atlanta, Boston, Kansas City, Dallas, Cleveland, Philadelphia, and Denver. Is this diversity desirable? If so, why? If not, how, when, and where should uniformity be promoted?² The treatment of such problems as these (and they are myriad) is part of the general area of executive management responsibility, whose scope and place in the federal government have only recently been identified. Executive management should devote increasing attention to this set of problems.

The existence of the problem of making numerous federal agencies work together as a harmonious whole has been known since the beginnings of the development of big government, and since the end of World War I various efforts have been made to meet the problem at both the central office and field levels. Agency coordination and administrative study were two devices exploited with varying success.³ From 1921 to 1933, for example, there existed in the Bureau of the Budget a Federal Coordinating Service set up by Executive Order No. 3578 (November 8, 1921). The Federal Coordinating Service presumably existed for the purpose of pulling together all the federal agencies in an effective attack upon certain common problems, but

NOTE: The title of this essay is borrowed from the special study of the *Report of the President's Committee on Administrative Management* (Part II, pp. 275-94) which carries recommendations on such aspects of the federal field service as field organization of institutional services, coordination of field administration, reporting, and local public relations. This paper is a report on developments in that area called (cumbersomely) "aspects of field organization as they relate to over-all management." More specifically, it describes and discusses the field service of the Bureau of the Budget. It is the feeling of the author that a series of essays on the *Report of the President's Committee* would be in order. This series would appraise the recommendations of that *Report* in the light of later developments, and bring the findings of the President's Committee up to date.

¹ See *Federal Field Offices* (S. Doc. No. 22, 78th Congress, 1st Session) for some discussion of factors which have influenced the marking of field office boundaries.

² A reference to the charts provided in *Regional Factors in National Planning* (National Resources Committee, 1935) graphically exhibits the confusion and incongruence of federal field patterns.

³ The author has had the benefit of inspecting some unpublished materials on the history of the Bureau of the Budget prepared by Fritz Morstein Marx, Bureau of the Budget.

it fell far short of this goal.¹ Under a chief coordinator a field organization was created which followed the territorial boundaries of the Army service commands. The chief and his principal assistants were borrowed from the Army on temporary detail—a circumstance reflecting the closeness of the collaboration between General Dawes and his former associates in the War Department. Indeed, this whole structure was designed by General Dawes out of his experience as chief of supply procurement in the American Expeditionary Forces, under a general plan whose principles were established by General Pershing. Each of the areas of the Federal Coordinating Service was headed by an area coordinator who worked through the Federal Business Associations. The service tended to confine its interests to the more homely tasks of agency housekeeping and neglected the larger and more critical problems of agency jurisdiction and program coordination. The Federal Coordinating Service was abolished on June 10, 1933, by Executive Order No. 6166.

The making of administrative studies looking toward the improvement of administration and greater economy of operations was the concern of several organizations, at one time or other, among the earliest of which was President Taft's Commission on Economy and Efficiency. The Joint Congressional Committee on the Reorganization of the Administrative Branch of the Government, established on December 29, 1920, preempted the field at the time the Bureau of the Budget was established, and indeed was the cause of the decision of General Dawes not to undertake such studies in the year of his tenure.

¹ The chief coordinator eventually brought under his authority a large number of agencies: Federal Purchasing Board, Federal Specifications Board, Interdepartmental Board of Contracts and Adjustments, Federal Real Estate Board, Federal Board of Hospitalization, Federal Traffic Board, Coordinator for Motor Transport in the District of Columbia, Forest Protection Board, Interdepartmental Patents Board, Permanent Conference on Printing, Federal Statistics Board, Federal Standard Stock Catalog Board, and Interdepartmental Board on Simplified Office Procedure.

During the existence of the committee it relied on the Bureau of Efficiency as its staff agency. The Bureau of Efficiency came to devote much of its time to the District of Columbia and expired in 1933 when it was abolished by Executive Order No. 6166.

In 1933 new ventures were made into the problems of agency coordination and administrative studies. Chief among these was a strengthening of the powers of the Bureau of the Budget, although efforts to develop executive management facilities for the federal field service continued outside the bureau. One result of these efforts (after the demise of the Federal Coordinating Service) was the establishment of the National Emergency Council.²

The council was created on November 17, 1933, under authority of the National Industrial Recovery Act; continued on June 13, 1935, under authority of the Emergency Relief Act of 1935; and abolished in 1939. The scope of operations of the National Emergency Council was much greater than that of the Federal Coordinating Service. The National Emergency Council was given functions of coordination, reporting, and the development of good relations with states and localities. The reporting done by the council was a crude kind of public opinion census taken through the newspapers and represented a periodic account of the programs and activities of federal agencies in the field. It failed to develop any substantial kind of administrative study of federal agencies. The coordinating function eventually was confined to problems of works projects and relief administration. The cultivation of good relations with states and localities was undertaken through the agency of the forty-eight state field offices of the National Emergency Council, but this good-will mission met with indifferent success. It was

² For a brief summary of this experience, see *Report of the President's Committee on Administrative Management*, Part II, pp. 275-95.

evident by 1939, at least, that the National Emergency Council, although for different reasons, was no more an answer to the management needs of the federal field service than the Federal Coordinating Service. Accordingly, in 1939, the National Emergency Council was abolished.

The reporting function of the National Emergency Council was transferred, in 1939, to the Office of Government Reports, located in the newly created Executive Office of the President (President's Reorganization Plan No. 2 and Executive Order No. 8248 [September 8, 1939]). The Office of Government Reports was given statutory authority on June 9, 1941, under Public Law 107 (77th Congress), and was later merged with the Office of Facts and Figures to create the Office of War Information. As its director, Lowell Mellett, said, its duties included "those of assisting the President in clearing information between the Federal Government and state and local governments and the general public; of keeping the President informed of their opinions, desires, and complaints; and of distributing information concerning the work of the executive departments and agencies to Congress, administrative officials, and the public."¹ So conceived, the Office of Government Reports moved further and further away from a program of making administrative studies and closer to a poll sampling and newspaper summary kind of information about federal programs and the operations of federal agencies in the field.

The creation in 1939 of the Executive Office of the President and the transfer of the Bureau of the Budget to it opened the way for a fresh approach to the problems of executive management and the federal field service. The *Report of the President's Committee on Administrative Management* emphasized the management side of administration—an aspect which had been discussed in connection with the Bureau of

the Budget before 1939, certainly, but not with quite the same comprehensiveness of plan. The expanded role in federal management intended for the Bureau of the Budget was great enough to include whatever arrangements might be feasible for the federal field service. A fresh approach to the problem of executive management for the federal field service was to be developed as part of the bureau's assumption of new responsibilities for better federal administration.

From 1939 to 1943 the bureau carried on its defense and war work responsibilities and in doing so developed its organization and philosophy of expanded staff service. The experience of the Federal Coordinating Service and the National Emergency Council with field organizations made it desirable to proceed cautiously before setting up a Bureau of the Budget field service, but the notion of developing such a service was present in the thinking of Director of the Budget Harold D. Smith through the four years after 1939. In the submission of budget estimates for the fiscal year 1943, the director of the Bureau of the Budget talked at length with the subcommittee of the House Appropriations Committee dealing with independent offices about his plans for a Budget Bureau field service. No estimates of appropriation were submitted, but the subcommittee on independent offices was told that the director did not feel that his knowledge of what was happening in the field was adequate, and that he would later submit proposals for the establishment of field offices. In the submission of his budget for the fiscal year 1944, this promise was fulfilled. The subcommittee was informed that it would be desirable to establish four field offices on an experimental basis for the use of the Washington staff of the bureau in informing themselves about agency activities.

The director's representations fell on receptive ears, and the House Appropriations Committee recommended, and the House approved, an appropriation of \$205,000 for

¹ *Public Administration Review* 127 (Winter, 1941).

the establishment of four field offices, with a staff of about eleven people each. The budget for the new offices, however, ran into difficulty in the Senate, where the Senate Appropriations Committee disapproved the entire estimate. The matter was resolved in conference committee in the way in which such matters are frequently resolved—by cutting the House appropriation in half. The result was the appropriation by Congress for the fiscal year 1944 of \$102,500 for the establishment of an unnamed number of field offices for the Bureau of the Budget.

Organization and Functions of the Field Service

THE first formal statement of the functions of the field service of the Bureau of the Budget, which had been briefly presented to the congressional committees, was contained in Office Memorandum No. 100 (July 24, 1943) to all employees of the bureau. The general goal of the field service was set as follows: to "secure for the Bureau information concerning the operations of the Federal Government in the field, promote economical and efficient administration in field establishments of Federal agencies, and lend such assistance in the field as may be requested by the divisions." There were four specific functions of the field service within this general charter. The first was to counsel and advise with federal officials in the field for the purpose of getting better coordination of federal programs and better relations among the federal agencies in the field. The second was to consult with officials of state and local governments on the operation of federal programs of concern to them and to report to bureau headquarters problems arising in these relationships, with recommendations for their solution. The third was to examine and recommend improvements in the utilization of supplies and equipment in the field. The fourth was to make administrative studies on the initiation of the field offices or, at the request of

other bureau staff, to make recommendations for more efficient operations and to report to bureau headquarters those problems requiring special study or action or a policy statement or guide from headquarters.

None of these functions were new in federal administration. The Federal Coordinating Service had been given a general authority to coordinate federal agency activity, although it had confined its functions to something considerably smaller in scope. The National Emergency Council had been charged with the responsibility of consulting with officials of state and local governments. It had sought to do so through forty-eight local offices. The examination and recommendation of improvements in the utilization of supplies and equipment in the field had been a joint responsibility of the Federal Coordinating Service and the Federal Business Associations. Nor was the fourth of the explicit functions of the field service (the making of administrative studies) greatly different from activities which central office staff of the bureau had been performing in travel status from time to time since 1939.

The new field service of the Bureau of the Budget, however, was not the residuary legatee of various expired and moribund federal agencies. The Bureau of the Budget was prepared in several ways to carry on beyond the previous efforts by other "staff" agencies. First, the Bureau of the Budget, under the Reorganization Act of 1939, had a greater dignity and prestige than formerly, and more than any of the other so-called staff agencies had ever had. Because it was in daily consultation with all the agencies on matters affecting their administrative bread and butter, it wielded an influence which other agencies had not been able to win. Second, the Bureau of the Budget was in a position to translate its recommendations into actions because of its identification with the Executive. Third, the field service of the Bureau of the Budget was designed for slow but sound growth.

With a beginning force of four offices, it was expected eventually to develop a greater coverage as experience was tested and assimilated. Fourth, it was not encumbered with a variety of functions and an unwieldy staff. The conception of the relation of the field service to the rest of the Bureau of the Budget was the opposite of that which is usually said to be the proper relation between central office and field, for the field service of the Budget Bureau was designed to supply and support the central office.

It was planned to locate the first four offices of the field service in cities difficult for bureau travelers to reach and hence visited only occasionally by them. This meant putting offices in cities at least as far west as Chicago. The first office, established in July, 1943, was located in Houston, Texas (it was later moved to Dallas). In the course of the fiscal year 1944 three more offices were located in Chicago, Denver, and San Francisco.

The Houston office was regarded as a pilot office for the purpose of trying out a variety of experiments in all types of field service activities. It was possible to pass on the collected and revised experiences of that office to the other offices as they came into existence. For example, the experience gained with the Houston office did much to develop reporting procedures from the field to the bureau in Washington and from the bureau in Washington to the field.

Because of the budget restriction, the original plan of staffing each of the field offices with a force of eleven people had to be modified. For the fiscal year 1944, the staff in each office was kept to a maximum of five persons, three of professional and two of clerical grade. The smallness of the staff of the offices made it necessary to provide for as great a variety of subject-matter backgrounds as possible. Care, however, was taken to recruit people with subject-matter backgrounds of particular appropriateness to the areas in which they were to serve. Thus, for example, the head of the

Chicago office had been trained as a management engineer and was employed to handle the large number of problems involving production and manufacturing activities and their regulation by federal agencies. For the Denver office a civil engineer was chosen because of the importance of mining and reclamation in the area covered. In each case, the men chosen to head the area offices of the field service were familiar with the problems of the territories in which they were to be located and qualified by long federal administrative experience. It was believed that the selection of such persons would go far toward producing an understanding of the particular problems of the federal field service.

The central office of the field service was created as an independent unit within the Bureau of the Budget, reporting directly to the director of the bureau. Since it was not one of the operating divisions of the bureau, it was not given status as a division. However, under the general direction of the director of the bureau, it was given a free hand to develop methods and procedures within the general framework of bureau policy. Provision was made at the outset to inform the central office of the field service of field trips to be taken by bureau staff in order to provide for joint action by bureau staff traveling from Washington and resident staff in the field where possible and desirable. The former were requested to check in with the field offices whenever their trips took them to cities in which field service offices were located. This procedure has served the needs both of bureau staff in travel status and of resident staff in the field. The staff traveling from Washington has been able to bring the resident staff into consultations and deliberations with federal agency officials and thus to make sure of obtaining continuous observation and follow-up after the finish of the field trip. The staff resident in the field has been kept informed of current bureau interests in the field prob-

lems of federal agencies and thus has been better enabled to pursue a course of promoting general bureau interests.

Communication Procedures

OFFICE Memorandum No. 100 reflected the director's plan to develop a flow of reports to bureau staff in Washington on agency operations in the field and the execution of administrative studies of such operations with recommendations for improvement. In order to serve this function it was necessary to develop work methods peculiar to the circumstances. The first problem was one of communication, which broke into separable parts. First, there was the problem of keeping the resident field staff informed of the daily grist of informational items normally available to the central office employee and of items of general interest about bureau activity to the field. Second, it was necessary to develop assignment procedures in such a way as to make the words mean in San Francisco or Denver what they were intended to mean in Washington. Third, it was necessary to develop methods of communication for keeping the field offices in touch with each other and for keeping the central office in touch with them all.

Bureau staff in Washington normally receive a great number of documents of one kind or another on congressional, agency, and bureau activities. These include such materials as the slip laws, copies of public laws, reports of congressional committees, the *Congressional Record*, the *Federal Register*, Bureau of the Budget circulars to agencies, administrative bulletins, and office memoranda. The field service offices have been put in the channel through which this stream of materials flows. In addition, most of the offices have been able to build up a basic file of documents from sources in the field.

Even this flow of materials, however, did not solve the central problem involved in making field studies on assignment, namely,

supplying to the field enough of the right kinds of information to make the assignments meaningful. On a personal, informal, and consultative basis, bureau staff requesting information were informed of the desire of the bureau staff resident in the field for as complete and detailed a background as it was possible to provide. With every assignment to the field, there are included, where feasible, copies of basic legislation, executive orders, significant policy statements, field instructions, memoranda of committee hearings, and narrative accounts of the administrative problems of the agency involved and of bureau relations with the agency. The last are especially important when there is any substantial division of opinion between the bureau staff and the agency. Bureau staff requesting field service assistance are asked to put themselves in the place of the staff resident in the field as they receive assignments from Washington. It has been emphasized that there is a distinct relation between the degree of understanding by field service staff of bureau aims and purposes and the utility of reports they prepare.

In order to keep the field service offices in touch with each other and the bureau in touch with them all, a special weekly report was devised. The chief field representatives in field service offices are required every Saturday to prepare a report of some four or five pages, in three parts, covering assigned work, general items, and staff news. The section on assigned work is a control device intended primarily to enable the central office of the field service to schedule the flow of assignments evenly. It is also a means of requiring the field service offices to evaluate each week the rate of progress on assigned work and of informing both the local offices and the central office of the identity of staff working on specific jobs. The largest parts of the weekly reports are those titled "General," and include information about agency activities in the field. Since all the weekly reports are sent in

multiple copies, the central office is able to clip and transmit items of interest to bureau staff in Washington. These items serve to keep the staff in Washington in touch with developments involving their agencies in the field; they frequently have led to requests for further information and, in some cases, to assignments for the making of administrative studies. The weekly letter from the central office to the local offices of the field service contains news about each of the offices gathered from the weekly reports submitted by them to Washington. Thus each of the offices is able to keep in touch with major activities in the others.

One of the most effective devices for maintaining fluid and informative communications has been the conference and field inspection trip. Quarterly conferences of field service staff are held, two in Washington and two in field service cities. The two Washington conferences are attended by the chief field representatives; the two in the field are attended also by other professional staff of the field service offices. All the meetings make it possible for the staff to become better acquainted with each other and with problems in areas of common interest. The Washington conferences serve the double purpose of bringing the field viewpoint directly to the headquarters staff of the bureau and of enabling the field force to learn at first hand of bureau problems of current interest.

It is occasionally desirable for staff in the field to visit the bureau in Washington on special assignments for consultation with headquarters. All new professional staff are brought into the central office for orientation. This tour provides reading materials, discussions with central office staff about field service policy, and interviews with other bureau staff as to the role and functions of the Budget Bureau in the Executive Office of the President. Staff from the central office of the field service make regular field inspection trips to obtain at first hand a feeling for the problems of the chief

field representatives and the manner in which they meet them. Ideas about program and technique are passed on from one office to another.

Field Service Offices and Other Federal Agencies

THE federal agencies in the field accorded the field service offices of the Bureau of the Budget a good reception. All the central offices of federal agencies received Budget Circular A-34 (January 7, 1944) explaining the purposes and nature of the field service and its functions, and the field offices of the agencies were notified of the establishment of the bureau field offices in their areas. In most cases the bureau field offices followed this notification up with a letter to the regional officers of all the federal agencies informing them of the establishment, purpose, and functions of the field service, and these notifications were supplemented by personal visits by the chief field representatives.

Certain misconceptions about the purpose and functions of the field service had to be overcome. Some of the agencies thought that the field service offices were in the field to prepare budget estimates. This reaction represented a holdover from the earlier conception of the Bureau of the Budget as an agency exclusively interested in the preparation of estimates. Some of the agencies which held this misconception regarded the prospect with apprehension and some with pleasure. Those who regarded it with apprehension feared they would lose staff and money; the others felt that the location of a budget office in their area provided an opportunity for increasing their budgets.

Some of the agencies in the field had the mistaken view that the Bureau of the Budget field offices provided a means for circling around their own clogged channels. Some sought to enlist the support of bureau field offices against their own central offices on matters of budgeting, clearance of forms, and program details. In one instance, it was

proposed to a field service office that it undertake the function of formal clearance of forms and questionnaires regionally originated, because of the regional office's difficulty in communicating with its own headquarters.

These instances, however, were few, and in the course of time most of the grosser misconceptions about the functions of the field service were eliminated. The agencies, on the whole, have been glad to find a sympathetic office with no operating responsibilities and no program prejudices to which they can turn for advice, consultation, and guidance. It is valuable to them that the field service offices have a direct channel to Washington and that through its own hierarchy the bureau can reach the top levels of federal agencies.

On occasion, the good relations which the field service offices established with federal agencies have been helpful in resolving minor complications in the field. For example, one field service office was approached by an official of a large private industry with a complaint about an action required by the district office of a federal agency in violation of an understanding between the industry and the regional office of the agency. It was possible for the chief field representative of the field service office to get the regional and district offices of the federal agency together and thus to solve the problem of the manufacturer caught between inconsistent orders from different levels of the same agency.

The Bureau of the Budget field service has, in the course of time, developed certain working rules in its relations with the federal agencies. First, both federal agencies and private groups frequently desire some source of authority which can expedite the provision of supplies, services, or goods normally within the jurisdiction of a specific agency. This has been particularly true in those areas made critical by war activity. However, the field service staff have refrained from attempting to act as expeditors except in rare and important instances,

routinely referring requests for such assistance to more appropriate agencies. Sometimes the appropriate agency is the one in charge of the operating program involved. Sometimes, however, it is one of the numerous coordinating agencies set up to pull together disjointed parts of the war effort. The field offices of the Bureau of the Budget have made frequent use of the excellent services provided by the Committee for Congested Production Areas in those places where the CCPA and the bureau have been in close and frequent contact. Second, the field offices of the Bureau of the Budget have preferred to rely as much as possible on informal consultations in improving the operations of federal agencies in the field. A corollary of this policy has been to make suggestions only, letting the agencies do the work and receive the credit for the improvements in efficiency which result from these suggestions. Informal consultation has assumed a variety of forms, from the casual meeting to the calling of a conference. The variety of its uses is too great to be detailed, but it has covered the entire range of federal operations in the field. It has meant, for example, advice on the clearance of forms and questionnaires. It has involved getting regional and district office people in the same agency in touch with each other so that they understand each other's purpose. It has involved discussions of relationships with other agencies and the bringing-together of different agency officials working in the same field. It has involved passing on advice on the basis of information received but not readily available to the local agency head. It has sometimes involved the appraisal of a local situation which, without foreknowledge, might have embarrassed the activities of a regional administrator trying to work in it. At one time or other, all the subtle arts of friendly intercourse have been brought into play to one end—the improvement and more economical operation of the federal service.

Third, active participation of the budget

field offices in various local federal enterprises has been restricted as a matter of policy, although from time to time field service staff have held memberships in various collective undertakings. The bureau's role in the federal service is that of an overall staff management agency, and it has usually sought to avoid participation in the operations of independent agencies or assumption of their responsibilities. As a service arm of an agency which acts in a staff capacity, the bureau field offices have been content to assume an advisory rather than a participating and operating relation to federal programs in the field.

The field service, however, has participated in various enterprises not inconsistent with the staff concept of the Bureau of the Budget. Such, for example, are the regional advisory committees on administrative personnel, sponsored and brought into being by the Civil Service Commission for the purpose of interesting qualified people in the higher administrative jobs. In most cases, however, the staff of the bureau field offices have confined their activities to observation,

The problem of the extent of field service participation in agency councils has been a delicate one in the coordination of federal agency activities and programs for which numerous *ad hoc* bodies have been created. The kind of support and activity undertaken by Bureau of the Budget field service offices in the area of coordination will be discussed more fully below. It is sufficient, at this point, to observe that the coordination of federal agency activities is one of the main areas in which the field service offices will undoubtedly develop and one in which they can make a significant contribution to public administration.

Administrative Studies and Management Improvement

ADMINISTRATIVE studies, the most formal and comprehensive undertakings of the field service offices, originate in the

desire of the headquarters staff of the bureau for thorough investigation and analysis of some phase of an agency's organization, program, or operations. Often these administrative studies are conducted jointly with the federal agency staff involved. Factual data can be checked and rechecked under these conditions. Conclusions and recommendations, however, are the exclusive responsibility of the field service staff.

Joint participation in administrative studies has proved to be an excellent means of effecting management improvement. Recommendations for improvement are made at the moment when the agency staff have before them for intensive study the places and procedures in their organization which need improvement. Such "interstitial improvement" of management practice has proved very beneficial. Although such studies are intended primarily for the enlightenment of the headquarters staff of the bureau and the headquarters staff of the agencies, their collateral result is the enlightenment of the federal agency field staff and the direct improvement of federal administration.

Results of Field Service Operations

THE results of field service activity have been both tangible and intangible. They will be discussed in terms of the functions of the field service set forth above.

First, in counseling and advising with federal officials on the coordination of federal programs and activities, the field service has made contributions in three areas: elimination of duplicating surveys, coordination of space controls, and intergovernmental advice and coordination with state and local activities.

An example of assistance in the elimination of duplicating surveys is an organization called the Federal Reference Exchange, created at the initiation of federal agency officials in the Southwest and with the encouragement of the field service of the Bureau of the Budget. The purpose of

the exchange was to provide a central depository for the accumulation of reports, surveys, and questionnaires. The management was lodged in a chairman and a board of governors, and a secretarial staff, office space, and telephone service were provided by contributions from federal agencies. The Bureau of the Budget field office in Dallas assumed the direction of a secretariat for a period of several months and provided one person to build up the library of reports deposited, to prepare accession lists, and to service requests for information by the agencies. The purpose of the exchange was to diminish the number of duplicating surveys, reports, and questionnaires through voluntary agreement by federal agencies to consult the files of the exchange before asking the local citizenry to supply information which they might have supplied before. The operations of the exchange were built mainly around the activities of the Office of Community War Services in community facilities and services. At the end of the period of experiment, it was decided to continue the exchange for reports on community facilities and services and to turn over its management and administration to the Office of Community War Services in San Antonio. The contribution of the Bureau of the Budget in the whole enterprise was to encourage, support, and provide direction for a successful effort at self-help.

The coordination of space control activities has received some attention by field service offices of the Bureau of the Budget, though the problem here has been complicated by the absence of operating officers with respect to whom the field service officers could assume an advisory staff role. In Chicago the field service representative was able to participate in several surveys of space utilization and made recommendations which resulted in the saving of substantial sums. This work was done not as an operating function of the field service but as assistance to the Public Buildings Administration officers in Chicago.

On the Pacific coast, federal agency, state, and local interests have been concerned for several months with the development of an intergovernmental council for the exchange of views and information and the coordination of related activities. The Bureau of the Budget field service office has acted in an advisory capacity to the officials concerned and has lent its support to the proposed council.

In the performance of the second major function of the field service—that of consulting with state and local officials about agency programs—the field service has been able to promote good relations in many ways. The field service of the Bureau of the Budget is known to the governors of each of the states in which field service offices are located, and numerous contacts have been made with state and local officials affected by the operation of federal programs. In the administration of the Federal Reference Exchange, an important contribution was made to the promotion of better relations between state and local officials on the one hand and federal agencies on the other, by diminishing the number of requests for information which frequently only state and local officials could supply. Although the field service offices of the Bureau of the Budget have not attempted to perform an expediting function, nevertheless, on many occasions, state and local officials have been aided in their relations with federal agencies by the advice of field service staff as to the actions they should take and the people they should consult.

The third function of the field service—that of examination and recommendation for better utilization of supplies and equipment—has received more attention in some areas than in others. One example of this type of activity will be cited. At the representation of one of the local offices of the field service, a saving of some thousands of dollars was effected through the disposal of tin cans owned but not used by the federal government. When attention was called by field service officials to the ex-

istence of a hoard of such cans in a local warehouse, Treasury procurement inquired as to similar accumulations elsewhere in the country. The result was that the entire store of cans was offered for bid and sale in a single lot, and the surpluses were moved into the commercial market.

The fourth formal function of the field service—the making of administrative studies—has occupied the major part of the working time of the field offices. In most cases, these studies have been initiated at the request of the bureau staff in Washington, although there have been many instances where field offices on the spot have observed situations requiring reports and recommendations for action.

A special kind of study has been made in connection with the administration of the Federal Reports Act of 1942 by the Bureau of the Budget. The Bureau of the Budget is charged with the duty of reviewing and approving all forms and questionnaires proposed by federal agencies which are intended to go to ten or more respondents. It has sometimes happened that approval or disapproval of a form has had to await information on the field circumstances in which it is designed to operate. On such occasions, the field service offices of the Bureau of the Budget have carried out field inspections, interviews, and investigations for the purpose of recommending approval or disapproval to the Division of Statistical Standards. From time to time, the field service offices have reported to the bureau in Washington the existence of illegal forms—i.e., forms issued by a federal agency in violation of the Budget clearance requirement of the Federal Reports Act. When these forms have been called to the attention of the bureau in Washington, action has been taken to require the agencies to withdraw them.

The amount of cuts made in agency appropriations as a result of field service activity is no necessary indication of the effectiveness or value of the field service in the total operation of the bureau. Budget

control, however, is one of the most effective ways of forcing improvements of efficiency and better management of the agencies affected. With facts provided by the field service, the bureau has been aided in getting agencies to go along with its recommendations. The field service worked, either alone or with other bureau staff, in several investigations which eventually led to sharp budget cuts. In one instance, the entire field organization of an agency whose program was declining was eliminated, resulting in an estimated savings of about \$750,000. In another, field service staffs were asked to make a study and recommendations which other bureau staff were able to use in effecting a transfer of functions from one agency to another, with the abolishment of numerous field offices and an estimated savings of \$3,000,000.

Concluding Statement

NO GOVERNMENT agency can predict its future. Changes in leadership, changes in program, and, not least, the decisions of congressmen, introduce uncertainties. The experience of recent years lends no encouragement to the view that the mere establishment of an agency or organization is a pledge of its continuance. So long, however, as the need exists for the kind of activity which the field service of the Bureau of the Budget performs, there will be attempts to meet it, whether through the field service or by some other means. The mere fact that the Federal Coordinating Service had to be followed by the National Emergency Council, and it, in turn, by other agencies, bespeaks the persistence of the need, whatever may happen to the agencies created to meet it.

One of the real goals to which executive management in the federal field service can be applied is the promotion and development of devices for coordinating the field activities of federal agencies. The location of a function of coordination in a permanent agency with over-all responsibilities

for improving and promoting more effective and economical management of the federal service provides a condition of success which none of the predecessors of the Budget Bureau field service has enjoyed. Careful experimentation with types of coordination tailored to suit factors of program, organization, and area is possible through the mechanism of an agency constituted like the Bureau of the Budget.

As suggested in the *Memorandum on Regional Coordination* prepared under the auspices of the Social Science Research Council (March, 1943), the "convener function" is valuable in securing better coordination of federal administration in the field. Field service staff of the Bureau of the Budget have frequently promoted regional coordination by convening the parties in interest. The language of the *Memorandum on Regional Coordination* (pp. 24-25) aptly describes the function of the convener of the field service staff:

The fact that he watches regional need, *in toto*, that he can take the initiative in conferring early with the various agencies on these needs, that he observes rising controversies, that he can

act as convener, moderator, stimulator, and mediator to bring about satisfactory settlements, will be of inestimable value. He can take important matters up with Washington, with conveners in other regions, or with State governments. In Washington, he may approach either the central authority to which he is especially expected to report, or the individual departments concerned.

The convener function, as one of many techniques of coordination, lies within the special opportunity of the field service to perform. It is not, however, an end in itself. It is but one of two principal ways in which the field service can contribute to the general purpose for which the Bureau of the Budget exists—the more efficient and economical operation of the federal government. The other is the making of administrative studies in the course of which agency staff are advised about better techniques of doing the public business. In performing its functions, the field service is thus an extension of the Bureau of the Budget in the field. It has no independence but is a coordinative part of the entire organization. Its service to the bureau is a means of providing service to the cause of good administration.

Federal-State-City Cooperation in Congested Production Areas

By CORRINGTON GILL

Director, Committee for Congested Production Areas

I

THE work of the President's Committee for Congested Production Areas¹ offers concrete evidence on many moot points in the theory and practice of public administration. The committee operated as a coordinating agency with definitive authority but resorted to that authority very infrequently; it presented, within its own organization, additional evidence on the problems involving central office-field office relationships; it demonstrated that quick action can be obtained despite the inevitable complexity of federal wartime procedures and regulations; and, finally, it offered interesting material on cooperation between the legislative and executive branches of the government.

A brief look at what had been done to alleviate conditions in congested areas before the establishment of the committee will provide the background. Public Law 849 of the Seventy-sixth Congress (the Lanham Act), approved October 14, 1940, started the federal government on its present war housing program with an authorization of \$150,000,000; Public Law 137, of the Seventy-seventh Congress, approved June 28, 1941, amended Public Law 849 to provide an authorization of \$150,000,000 for construction and operation of public works for communities with populations increased by war activity.

The enactment of these two laws, four-

teen months and six months, respectively, before Pearl Harbor, showed keen foresight on the part of Congress. The executive agencies supporting the enactment of these bills—the Federal Works Agency, the Office of Defense Health and Welfare Services (now the Office of Community War Services), the National Resources Planning Board, and the National Defense Advisory Commission—demonstrated their recognition of the problems created by the defense effort.

ODHWS and NRPB jointly made more than three hundred surveys in war-congested communities and indicated the community facilities and services needed. The United States Public Health Service surveyed and evaluated the adequacy of water supply, sewers, and medical care. The National Defense Advisory Commission surveyed the need for such community facilities as schools, streets, fire protection, and recreation. Events quickly demonstrated that the congested production areas were faced with problems too numerous and too complex for local solution.

Workers were reluctant to move to congested areas. It was hard to find suitable living quarters for their families; schools and medical and recreational facilities were woefully inadequate. Labor turnover was high, and the rate of absenteeism became alarming.

These conditions obviously had a direct effect on war production. Wartime production must far exceed peacetime production, and workers had to be obtained and kept to meet new and expanding production

¹ This committee was established by executive order of the President on April 7, 1943, and continued by congressional appropriation through December 31, 1944.

schedules. At the same time, the withdrawal of men into the military forces further increased the necessity for fullest utilization of available manpower. Women workers were demanded in ever-increasing numbers. Their employment created special problems in regard to community facilities. Child-care centers and increased shopping facilities, including provision for evening shopping, became important if women were to be retained in the labor force.

Two surveys, one by a subcommittee of the House Naval Affairs Committee headed by Congressman Ed V. Izac, and one (confidential) by Robert Moses for the Army-Navy Munitions Board, indicated that the situation was critical in a number of war production centers. Inadequacies were found in such essentials as water supply, sewers, hospitals, restaurants, schools, transportation, recreation, and food.

The hearings of the Izac subcommittee show why the war-congested areas were in such distress. Probably as important as any other single reason was the fact that it was most difficult—almost impossible—for federal and local agencies to get sufficient advance information on war contracts. Even the number of in-migrants needed to fulfill these contracts could not, therefore, be determined in advance. And, consequently, the need for community facilities and services could not be predetermined with any degree of accuracy.

Housing planned for an area with \$10,000,000 in war contracts was obviously inadequate when the area was suddenly assigned additional contracts amounting to \$50,000,000. The case was similar with schools, hospitals, stores, busses, restaurants, and many other services. FWA would weigh the need for a twenty-classroom school; but before the issue could be resolved a new war contract in the area would make these twenty classrooms completely inadequate.

In addition to numbers, types of in-migrants also had to be known. Dormitory units for single men or men who left their

families behind could be erected relatively quickly, but how many families would have to be provided for? And as military needs increased and single men left the plants, the housing picture changed again. More family units were urgently needed, while dormitories either had vacancies or had to be completely converted to family dwellings. This inability to predict accurately the need is sharply revealed in the estimates of the National Defense Advisory Commission. Their estimate in 1941 was \$45,000,000 for war public works in the areas which were later officially designated as congested; actually, approximately \$100,000,000 has already been approved.

An equally important obstacle in meeting these difficulties was the shortage of labor and materials needed to construct necessary civilian facilities as well as aircraft, ships, and ordnance. The War Production Board and the War Manpower Commission had to ration materials and men, and, of course, direct war production had to be favored.

Finally, coordination of the federal agencies involved in these problems was necessary. The National Housing Agency, established in 1942, coordinated the private and public war housing programs; but housing without schools, stores, food supply, and doctors was not enough. The War Food Administration was responsible for the food supply, but the Office of Price Administration controlled prices; the Federal Works Agency could make loans and grants for war public works, but War Production Board priorities were necessary; the Office of Defense Transportation could allot additional busses to congested areas, but military demands for trucks and busses had first to be satisfied; the Public Health Service had to approve requests for hospitals, but it had to depend on the War Manpower Commission for estimates of employment and in-migration; the War Manpower Commission had to consult with the Army, Navy, and Maritime Commission for data on production schedules.

In view of the number of agencies involved, the competing demands for men and materials, and the difficulty of obtaining authentic information on production schedules,¹ one can understand why conditions needed correction. The increase in population in ten of the most badly congested areas is shown in the table below.

II

TO RELIEVE the conditions in congested areas, as described in the Izac and Moses reports, the late Secretary of the Navy Frank Knox proposed to President Roose-

tor and staff.² Its purpose as stated in the Executive Order was "to promote the successful prosecution of the war by providing for the more effective handling of governmental problems in Congested Production Areas." This objective was to be accomplished by (1) designating those areas which were to be officially considered congested production areas and modifying or terminating such designations as the committee deemed advisable; (2) cooperating with and supplementing the efforts of state and local governments with respect to problems in congested areas; (3) coordinat-

INCREASE IN POPULATION OF TEN CONGESTED AREAS, 1940-44²
(Including Military)

Area	1940	1944	Increase	Per Cent of Increase
Charleston, S. C.	121,105	190,422	69,317	57.2
Detroit-Willow Run, Mich.	2,458,139	2,670,596	212,457	8.6
Hampton Roads, Va.	343,423	656,066	312,643	91.0
Los Angeles, Calif.	2,916,403	3,434,737	518,334	17.8
Mobile, Ala.	141,974	238,281	96,307	67.8
Muskegon, Mich.	94,501	108,079	13,578	14.4
Portland, Ore.—Vancouver, Wash.	501,275	669,617	168,342	33.6
Puget Sound, Wash.	820,202	1,070,664	250,462	30.5
San Diego, Calif.	289,348	609,171	319,823	110.5
San Francisco, Calif.	1,461,804	2,044,613	582,809	39.9

velt in February, 1943, the creation of a coordinating agency with power to act. As a result, the Committee for Congested Production Areas was established in the Executive Office of the President by Executive Order No. 9327 on April 7, 1943.

The order provided for a high-echelon committee of seven with a full-time direc-

ing the activities of all federal agencies operating in such areas in so far as they affected problems arising out of congestion; and (4) prescribing the necessary policies and actions to effectuate such coordination.

The basis for the designation of an area as congested was its importance to the war effort, the size of the population increase, and the adequacy of community facilities and services. CCPA has worked in eighteen areas. The importance to war production

¹ These were the major factors; many more could be enumerated. There were difficulties in obtaining agreement with cities as to what their share should be in financing construction of public works; the federal government, to conserve men and materials, wanted temporary structures built when possible, while the local governments wanted permanent structures; in providing many types of essential services, such as restaurants and laundries, no federal agency had a clear mandate to participate; and an important difficulty related to adjustments in distribution of civilian goods to meet the population shifts—the stream of goods failed to follow the stream of war workers.

² The 1944 figures are based on a sample census made by the Bureau of the Census at the request of CCPA because of the need for up-to-date figures to furnish a basis for the distribution of civilian goods.

³ The members of the committee were Harold D. Smith, director of the Bureau of the Budget, chairman; Robert P. Patterson, Under Secretary of War; Ralph A. Bard, Undersecretary of the Navy; Donald M. Nelson, chairman, War Production Board; Major General Philip B. Fleming, administrator, Federal Works Agency; Paul V. McNutt, chairman, War Manpower Commission; and John B. Blandford, Jr., administrator, National Housing Agency. In appointing these members, the President wrote: "If you are unable to attend any meeting in person, I suggest that you clear the person to attend for you with the Chairman."

of these areas is shown by contrasting their population and war contracts: these areas contained but 10 per cent of the population of the United States but had 40 per cent of all ship contracts, 30 per cent of all airplane contracts, and about 20 per cent of all war supply contracts.¹

The staff of the committee has always been small; the number of employees never exceeded eighty—thirty in Washington and fifty in the field. The Washington operation consisted of expediting, with responsibility assigned to individual members of the staff working with a number of inter-related agencies, such as WMC and NHA, OPA and WFA, and FWA and WPB. The typical area office had an area representative with one or two assistants, in addition to clerical help. Primarily, the area representatives were selected for their knowledge of government, their standing in the community, and their ability to establish effective working relationships with federal, state, and local agencies.

Basic to the committee's operation was the direct relationship between the area and Washington offices, as contrasted with the more usual local, district, state, regional, and national office setup. (It is recognized that the size of operations of other agencies often makes this type of organization necessary.) The area representatives reported directly to the director in Washington, thus saving considerable time when time was most important.

Fundamental also to the committee's success was its cooperative relationship with the three procurement agencies—Army, Navy, and Maritime Commission. This relationship enabled CCPA to obtain the in-

formation necessary for estimating, with some degree of accuracy, the need for community facilities. It resulted in such instances of cooperation, to mention but a few, as the Navy's permission for sailors to work off-hours in essential civilian trades; the Army's diversion of coal from its stockpile to meet a critical civilian situation in Hampton Roads; the agreement of the War Shipping Administration not to divert from civilian sources food for its ships; and the agreement of the Army and Navy not to take over hotels or large blocks of rooms in a congested production area without prior clearance with the committee.

The authority given to the committee in the executive order was broad: "The policies and decisions of the Committee with respect to any Congested Production Area shall be controlling on all Federal agencies to which they apply." But this power was never used in full. The committee found it could operate successfully without using the sledge hammer method of coordinating.

The area representative had the duty of identifying the needs of the area. His analysis included evaluation of the adequacy of water supply and treatment facilities; sewers and sewage treatment and disposal; garbage collection and disposal; streets, roads, and bridges; police and fire equipment and structures; housing; rents; manpower for service functions such as food stores, restaurants, laundries, filling stations, and other commercial facilities; hospitals and health centers; physicians, dentists, and nurses; control and treatment of venereal disease; education; recreation; child care; food; fuel; and transportation.

This analysis was made in consultation with federal, state, and local officials, together with interested nongovernmental organizations and individuals. The CCPA area representative, in case of disagreement as to need, helped resolve the differences. He saw to it that all relevant information was taken into account and that full consideration was given to the local need. It was CCPA's over-all experience that this

¹The dates of designation of these areas are: May 20, 1943—Hampton Roads, Virginia; San Diego, California; San Francisco, California; July 22, 1943—Brunswick, Georgia; Charleston, South Carolina; Puget Sound, Washington; Sept. 10, 1943—Mobile, Alabama; Portland, Oregon—Vancouver, Washington; Dec. 3, 1943—Beaumont—Orange, Texas; Detroit—Willow Run, Michigan; Los Angeles, California; Pascagoula, Mississippi; April 12, 1944—Key West, Florida; Knoxville, Tennessee; Muskegon, Michigan. In addition, the staff worked in Portland—South Portland, Maine; Newport, Rhode Island; and St. Mary's County, Maryland.

technique of consultation, in contrast to the giving of orders, worked and worked well.

The process of identifying needs was followed by the process of obtaining action. This involved knowing the functions of various agencies, getting these agencies to agree to a time-schedule, and following through to insure that the action was completed on schedule. Where only one agency was involved, the problem was simple; where more than one federal agency had to participate in the final solution, as was usually the case, CCPA brought them together for a decision.

Two examples will illustrate this point. When new war plants are built in undeveloped sections of a community, fire hazards multiply. To cope with this danger in the San Francisco Bay Area, a committee undertook to determine the needed minimum fire protection, community by community. With the area representative of CCPA as chairman, the committee drew its members from the FWA, OCD, NHA, FPHA, California State War Council, and WPB. This interagency group prepared a program and submitted it to WPB as a basis for allocating fire-fighting materials and equipment. In Brunswick, Georgia, the major milk distributor threatened to go out of business—he maintained that he couldn't stay in business at the price he was permitted to charge. Since both supply and price were involved in this case, CCPA called OPA and WFA into a conference which resulted in simultaneous action on both the price and the supply aspects of the case.

CCPA was able to get the cooperation of the top officials in the federal agencies, and the central position of CCPA in the field of community facilities and services was recognized. Justice James F. Byrnes, in his order establishing area manpower priorities committees, included the area representatives of CCPA as members. These committees have looked to the opinions of the CCPA representatives in evaluating the need for manpower for community services.

Similarly, in evaluating the need for community facilities, WPB, by administrative order, recognized the recommendations of the area representatives as basic.

CCPA was able to win this recognition because it was a neutral agency with no ax to grind, no narrow interests to push. Each federal agency with a particular program to complete acquires an interest which is necessarily limited. Similarly, local government officials have special interests in providing more and better structures for their community. CCPA, on the other hand, was not trying to create monumental structures or to further any particular type of facilities. Its only interest was in getting local and federal agencies to work together, and quickly, to provide at least minimum wartime facilities and services for workers.

The operations of an area office of CCPA was well described in the following statement by an area representative:

From the very beginning, our office was used as a common meeting ground for local groups and organizations and local, state, and federal government agencies for a general discussion, across the table, of common problems. The need for such an office was early demonstrated in improved atmosphere and working relationships of these groups and agencies concerned with the solution of common problems affecting the war effort, especially those affecting absenteeism, labor turnover, and morale of war workers.

For the follow-up to be effective, it is desirable that in any given area the operating agencies look to one coordinating authority. CCPA has the advantage of being organized on an area basis with direct contact with the national director in Washington, of being located in the Executive Office of the President, and of having no operating responsibilities that might lead to jurisdictional bias or arouse jurisdictional jealousies.

Many of these problems were solved or alleviated through the efforts of the committee in bringing the interested parties together. Agreements were then either reached or compromises, adjusting differences of opinion, were worked out.

The hearings of the Izac subcommittee have already been mentioned. Subsequent to the hearings, the subcommittee wrote to various federal agencies and asked for ac-

tion on their part on problems presented at the hearings. When CCPA was organized, the subcommittee turned the follow-up job over to it. The recommendations of the Izac subcommittee were used as an initial basis for action by the area representatives of CCPA, and Congressman Izac and his subcommittee were kept informed on the progress made.

A member of the staff of CCPA accompanied the subcommittee in October and November, 1943, to Seattle, Portland, and Los Angeles, where public meetings were held. The subcommittee commended the work of the area representatives of CCPA in Seattle and Portland and recommended the designation of Los Angeles as a congested area. Los Angeles was so designated on December 3, 1943.

In an over-all review of the work done to improve conditions in congested areas, the congressional subcommittee stated:

The subcommittee is particularly anxious to pay tribute to the excellent "team" assistance of the President's Committee for Congested Production Areas. This cooperative "team" effort of the legislative and executive departments of the Government is refreshingly unique.¹

In its final report, November, 1944, appeared the following:

It is obvious that this record would not have been possible without the efforts of the Federal agencies, the State and municipal authorities, and the Navy. Heading the list of merit is the President's Committee for Congested Production Areas, which, in its too brief tenure, has completed an almost insurmountable task with unexcelled efficiency and dispatch.²

III

THE job of providing community facilities and services was substantially accomplished when CCPA ceased operations on December 31, 1944. The staff felt that its basic wartime job was done. What the future pattern for federal-state-local relations will be is uncertain, but the con-

tinuous need for special attention to the interrelationships of these governmental units is obvious.

A large number of problems will undoubtedly develop in the immediate future in connection with the conversion of industry from war to peace. A number of problems requiring federal assistance have already definitely emerged even though production for war has not started to decline on an over-all basis as this is written. Among these are such matters as the acquisition by municipalities and states of federal surplus property; the disposal of federally owned and municipally operated war public works; disposal of temporary war public housing; the development of a federal program in connection with municipal and state public works which have been deferred because of lack of available materials and manpower; and the problem of social security benefits and relocation of war workers when necessary as a result of changes in the war production program.

A major problem in intergovernmental relations will exist in connection with the disposal of 1,602 community facilities built at federal expense. These facilities are now operated by local governmental units. The arrangement for their disposal represents a possible serious conflict in relations between the federal and local governments. Similarly, the existence of more than 500,000 temporary war public housing units which, under congressional mandate, are to be destroyed within two years after the end of the war may likewise create an important area for federal-local adjustments.

The problems of government conversion and the continuing problems involved in federal relationships with state and local governments indicate a definite need for coordination of the activities of the federal government to improve these relationships and to meet these problems. The work of the Committee for Congested Production Areas offers substantial evidence on the type of organization that might be utilized and an appropriate method for its operations.

¹ *A Report of the Congested Areas Subcommittee of the Committee on Naval Affairs* (H. Rep. No. 144, 78th Congress, 1st Session), p. 1088.

² *A Report of the Congested Areas Subcommittee of the Committee on Naval Affairs* (H. Rep. No. 272, 78th Congress, 2nd Session), p. 294.

Joseph B. Eastman—Public Servant

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THE death of Joseph B. Eastman on March 15, 1944, called attention to the career of a devoted and influential public servant. Eastman had recently completed a quarter of a century as a member of the Interstate Commerce Commission, the oldest and perhaps the ablest of the federal independent regulatory commissions. By contrast with public attitudes in 1919, when he had been watched suspiciously because of reports of radicalism, he had now come to be regarded as the most distinguished member of the commission. People in a position to know seemed not so much to identify Eastman with the commission as to identify the commission with Eastman. It was at times remarked loosely that Eastman *was* the commission. Throughout his career he proclaimed and practiced the ideal of public service. In the light of the quality of his statesmanship, it has been thought desirable to bring together within brief compass an account of his public career and of those aspects of his personal life which throw light upon it.

I

JOSEPH BARTLETT EASTMAN—"Joe Eastman" throughout his life to those who knew him—received from his ancestors a rich endowment for his life work. He had the poise and assurance which came with nearly two and a half centuries of New England ancestors who traced their line back to Roger Eastman, an immigrant of 1638. His male forebears in the three generations immediately preceding Joe Eastman were college men with professional careers. His great-grandfather, a Dartmouth graduate, had been a lawyer. His grandfather, another

Dartmouth man, had been a Presbyterian minister. His father, a graduate of Amherst, was also a Presbyterian minister.

Although the effects of a boyhood spent in the home of a minister are not always predictable, they are usually profound. In the instance of Joe Eastman, the fact is important that his father, John Huse Eastman, was not typical of the "hell-fire-and-damnation" clergymen of his time. He preached a very practical type of Christianity. He was concerned not so much with conventional religious doctrines as with the Christian as a good citizen. At his early home in Katonah, New York—where Joe Eastman was born in 1882—Reverend Eastman helped to establish the village improvement society which laid sidewalks and sponsored other civic projects. In the Pennsylvania community where he later lived for twenty years he made himself a vital force in the affairs of the community. In the light of his emphasis on the practical duties of citizenship, a committee of his fellow townsmen called upon him to accept an appointment to fill out an unexpired term on the borough council. He consulted the governing board of his church and was told that he now had a chance to practice what he preached. He accepted the appointment and was afterward elected two or three times to membership on the council.

This preoccupation of the father with the daily problems of right living in a community of one's fellows became and remained forever afterward a part of the thought and life of the son. Oddly enough, on the other hand, the religious doctrines of the father's church were received with youthful skepticism. When as a child he

was told by his father that the only preparation necessary for joining the church was that he should love the Lord, he replied that he did not love the Lord—he did not know him. This skeptical attitude stayed with him through his college career and through most if not all of his adult life. Although he could understand and devote himself to practical public service with a fervor almost religious in character, the problems of a future life and of formal religious doctrine played no important part in his thinking.

In 1900 Eastman went to Amherst, from which his father and an uncle had been graduated and from which only the preceding year his father had received the honorary degree of Doctor of Divinity. Although tradition may have determined the fact that he was promptly pledged to his father's fraternity, Psi Upsilon, the quality of his college career was not determined by family reputation alone. During that career he took an important part in sports and in debate, and he was editor of the college paper and president of his class. His scholarship record is indicated by his membership in Phi Beta Kappa. He was hardworking and friendly and was well liked by his fellows. Although not characterized by scintillating wit, he insisted on thinking for himself, even at the expense of disapproval from a popular but dogmatic professor of philosophy.

He graduated in 1904. By the balloting of the senior class he was one vote behind a man estimated as most likely to succeed in life. He tied with another student as the person "most representative" in the class and was voted "the greatest woman-hater." To run ahead of the story, he became eventually far the most distinguished person in the group, and he remained a "woman-hater" to the extent that he never married.

When Eastman approached the end of his college career without definite plans for the future, J. W. Crook, professor of economics, called his attention to a fellowship

maintained for Amherst men at South End House, a settlement house in Boston, and asked if he would accept an appointment. After consultation with Robert A. Woods, head of the settlement, Eastman accepted the appointment, and in so doing gave direction to the entire course of his adult career.

In Eastman's words, "The Amherst fellowship at the South End House was founded for the purpose of giving a graduate of that college the opportunity of studying, not merely from a theoretical standpoint, but also from close-range and intimate acquaintance, the serious problems connected with modern city life and especially the methods by which they are being attacked."¹ Eastman studied settlement work in all its ramifications and participated directly in it to some extent, particularly in connection with boys' club work. He made contacts with officials of the Central Labor Union, attended meetings of the union, and began development of the interest in labor problems which expressed itself in a later period in his work as counsel for street-railway unions in wage arbitrations. The major portion of his time was given to the study of municipal government and state legislation. He studied the racial and other characteristics of the separate wards in Boston, their political complexions, their party organizations, and the men who wielded the power in them. He interviewed candidates for municipal office and for membership in the state legislature.

For a young man with something approaching an inherited interest in public service the experience at South End House was richly illuminating. It was particularly so because of the contagious enthusiasm of Robert A. Woods, the head of the settlement. There were three college fellows in residence in 1905—one each from Amherst, Harvard, and Radcliffe. Woods not only stirred their imaginations by discussing the

¹ "Study of City and State Politics," *South End House Annual Report* (February, 1905), p. 34.

significance of social phenomena but passed along his conviction that genuine reforms were possible, and he brought the fellows into contact with organizations which were struggling to bring about particular reforms.

Contact with one of these organizations, the Public Franchise League, and the active intervention of Woods on Eastman's behalf, led to his appointment as secretary, a position which he held from 1906 to 1913. The organization was composed of prominent and public-spirited citizens and a full-time secretary who did research and in general coordinated and managed the program of the league. The league was born of an acute awareness on the part of its organizers that the public had no adequate organization to protect it against public-utility corporations seeking special privileges from the state and the city. It engaged in political struggles with transportation and gas and electric companies on behalf of the public interest. In an article about the earlier struggle of the league with the Boston Elevated Railway Company, written by Woods and Eastman in 1906 and published in *The Outlook* in April of that year, the characteristic strategy of the league was described as follows:

That potent force was public opinion, created and directed by the Public Franchise League. This fact is of great significance in the present issue throughout the country between the people and the public service corporations. It was the members of the Public Franchise League who first recognized the public needs and dangers involved in the situation, who won Governor and Mayor over to the view for which they stood, who created in large part, marshaled, and brought into action the massive, intangible force of public opinion. Corruption breeds when the public is inert, and not when people are awake and alive to the issue at stake; and the Public Franchise League kept them awake. The League had among its officers men of ability and achievement, able to meet the men who controlled and directed the forces of the Elevated Company move for move. But they did more than that. They kept in close touch with the people, reduced the various propositions to simple terms which the man in the street could understand at a glance, and forced them on his

attention persistently—and the people responded to the appeal. Therein lay the secret of their service and success. The public can, if it will, protect itself and maintain its rights against the greed of corporate wealth and power.

Eastman began his work with the Public Franchise League expecting to carry on at the same time the study of law at Boston University School of Law and secure admission to the bar. He registered for courses for two years, but the pressure of his duties as secretary of the Public Franchise League forced him to drop the law studies and he never resumed them. He achieved in time an enviable knowledge of law in his specialized field, but he never found time to round out his equipment and secure admission to the bar. He seemed entirely unconcerned about his personal and professional future. He had tremendous zeal for public service and for doing with his own hands and with detailed thoroughness the tasks immediately before him. He came to know thoroughly the relations of corporations, and particularly of public-utility corporations, to the welfare of the people of Boston and of the state of Massachusetts and of the New England region. His attendance at a meeting of the American Civic Federation at Pittsburgh in 1909 indicated a still further widening of interest. In 1912, in close association with Louis D. Brandeis, then a prominent Boston lawyer and a leader in the Public Franchise League, he made for presentation to the Interstate Commerce Commission a long report on the New York, New Haven and Hartford Railroad Company, which was then one of the dominant centers of power in the East. In the collection of materials he spent three weeks in Washington examining records in the possession of the commission of which some years later he was to become a member.

His zeal for protecting the interests of those groups of people who had no adequate defense, together with his initial experience in associating with labor leaders while he was a fellow at the South End

House, led him naturally to some preoccupation with the welfare of labor. His work in connection with public-utility corporations gave him a specialized knowledge of labor problems where those corporations were concerned. In 1913 he left his position as secretary of the Public Franchise League to become counsel for street-railway unions in wage arbitrations. A brief prepared for the Boston Carmen's Union used his detailed knowledge both of public utilities and of those elements in the cost of living which largely determined living standards. His reputation spread so that no great surprise was occasioned when in 1915 he was placed on the Public Service Commission of Massachusetts by Governor David I. Walsh, who was then in close association with liberal groups in his state. Party politics had nothing to do with Eastman's appointment. He professed no party connections. During his early years he seems to have been regarded as a Republican, but he voted for Theodore Roosevelt for President in 1912. Governor Walsh, who appointed him to the Public Service Commission, was a Democrat. Eastman voted for Woodrow Wilson for President in 1916 but nevertheless was reappointed to the Public Service Commission in 1917 by a Republican governor.

In the meantime, in 1916, President Wilson had nominated Louis Brandeis for a position on the Supreme Court. Acceptance of the nomination had been forced upon the Senate in terms of a strict party vote after bitter denunciation of the nominee's liberal tendencies. Brandeis advised Wilson on many matters, including some appointments. In 1914 he had said of his Boston protégé, "Joe Eastman has more interest in public service and less in his own career than any man I have ever known." Amid the search for able personnel in Washington during the war years of 1917 and 1918, he watched for the right position for Eastman. He found it toward the end of the latter year. In November, 1918, President Wilson shifted George W. Anderson of Boston from the Interstate

Commerce Commission to a position on a United States Circuit Court of Appeals. Anderson had once been a member of the Public Franchise League of Boston and before the time of Eastman's appointment had served briefly on the Public Service Commission of Massachusetts. Brandeis presented Eastman to Wilson as the ideal person to succeed Anderson on the Interstate Commerce Commission. By way of verifying his own impression and paving the way for Eastman's acceptance by the commission, he mentioned Eastman to Robert W. Woolley, a Wilson appointee on the commission, and suggested that, in the course of business, Woolley ought to drop in on Eastman in Boston and appraise him as an able man who ought to be brought to Washington in some capacity. Without knowing the specific position which Brandeis had in mind, Woolley went to Boston and had a long talk with Eastman. Eastman greeted him by saying he had heard that Woolley was coming but that he did not know why. Woolley replied that he was in much the same position; although he was there, he did not know definitely why he had been sent. Woolley liked Eastman tremendously and returned to Washington to tell Brandeis that Eastman was one of the most remarkable men he had ever met.

Much pleased with the report, Brandeis continued to press for the nomination. A political difficulty lay in the statutory requirement restricting party representation on the Interstate Commerce Commission. The existing membership was such that the vacancy could not be filled with a Democrat. Eastman's political record was sadly blurred. On December 19, 1918, President Wilson sent to the Senate Eastman's nomination to fill Anderson's unexpired term which was to run until the end of December, 1922. For purposes of the nomination, Eastman was classified as a Republican. To prevent any misunderstanding, he wrote to the Senate to explain that he was an independent in politics, but

no one chose to make an issue of the matter. It is said that there were unsuccessful protests from railway officials on the ground of his alleged radicalism, but he was not so well known as Brandeis had been and had not stirred such violent enmities, and the position to which he was appointed was not considered as important as that to which Brandeis had been chosen. On January 24, 1919, the nomination was confirmed without public discussion.

II

EASTMAN was thirty-six years of age at the time of his appointment to the Interstate Commerce Commission. Being unmarried, he shared a home with his sister, Elizabeth Eastman. Seemingly possessed of endless physical reserves, he worked tirelessly for long hours day in and day out, taking time off only for systematic physical exercise and for brief periods of summer vacation in which, preferably in the company of a friend of long standing, he went on fishing tours and tours of exploration which called for extensive travel on foot.

Although his fundamentally skeptical attitude probably stood in the way of his becoming a blindly doctrinaire liberal and a martyr on behalf of idealistic causes, his social philosophy from the beginning was liberal. He was influenced, no doubt, by his father's preoccupation with practical problems of good government, by the knowledge of the seamy side of life which he acquired as a fellow at South End House, by the knowledge of the shortsightedly selfish and predatory characteristics of business corporations acquired as secretary of the Public Franchise League and as a member of the Massachusetts Public Service Commission, and by the knowledge of the problems of labor acquired in the same connections and through his experience as counsel in wage arbitration cases.

The development of his thinking on these matters seems to have been stimulated by close association over a long period of years with a Boston lawyer, a native of

Maine, Frank Livingstone. Livingstone, like Eastman, was a bachelor. He had no personal aspirations for wealth or fame, but he was tremendously fond of boys and young men and was an expounder of liberal social philosophy. Although he had none of Eastman's tremendous capacity for mastering factual details, he was helpful to Eastman in discovering significance in the materials which the latter brought together. It is quite possible that, in addition to the influences already mentioned, Livingstone played a part of great importance in shaping liberal trends in Eastman's thinking, particularly in connection with the subject of public ownership of public utilities. At any rate, he considered Livingstone so important to him that, when he was himself appointed a member of the Interstate Commerce Commission, he asked Livingstone to serve as his confidential secretary. Livingstone took the position and held it until his death in 1937.

When Eastman became a member of the Interstate Commerce Commission in February, 1919, the Interstate Commerce Act provided that the commission should consist of nine men. They held staggered appointments for periods of seven years. Of the seven men who were members at that time—there were two vacancies—five were lawyers and two were economists. The economists might be said to be specialists in the field of the activities of the commission, but the careers of the lawyers had been such that no like claim could be made concerning them. Reasonable competence, general ability, and political connections seem to have been the primary factors in determining selection. Eastman was probably less well known and was at the same time much more competent in dealing with the regulation of railroads than were a number of his colleagues. The work of the commission prior to 1920 was largely in connection with enforcement of what might be called police regulations. It involved steps to prevent railroads from charging rates which were generally too

high or which were discriminatory against particular areas or shippers or classes of freight and from engaging in what was called unfair competition. Innumerable investigations of varying degrees of complexity had to be made. For the more expeditious handling of the work, the commission divided itself into divisions, usually consisting of three members, which decided cases in the name of the commission. A staff of examiners, trained in law and accounting and other necessary techniques, was maintained to assist commissioners who themselves were not specialists and who lacked the time necessary to do the great mass of work involved in arriving at decisions.

Most of the commissioners relied heavily upon the researches and conclusions of the examiners, and they often accepted, virtually without change, the reports of the examiners as statements of their own findings and recorded them as the opinions of the commission. In this respect, Eastman differed greatly from his colleagues. Although he made some use of assistance, he lacked the capacity or the willingness to delegate work to others. He had a passion for being right and for knowing that he was right. He enjoyed mastering details. Work sheets remaining in the files of the commission or in the files of former subordinates provide illustration in terms of pages of columns of figures carefully entered and added by his own hand. He did without assistance great quantities of work which another man would delegate to a subordinate with an adding machine. He seems to have had something of a feeling that truth lay in the intricacies of detail quite as much as in the final accumulation of facts.

At the beginning of Eastman's commissionership the railroads of the country were being operated by the federal government. Although it was generally admitted that the end of the war ought not to bring a return to the pre-war situation, critics varied all the way from railroad leaders, who sought principally relief from restrictive legislation, to socialistically minded groups, who

advocated permanent government ownership and operation of the railroads. Shortly after the date of the Armistice and before Eastman became a member, a Senate committee asked the Interstate Commerce Commission for recommendations as to future control of the railroads. With one member dissenting, the commission recommended return of the railroads to private hands under broadened, extended, and amplified governmental regulation. Commissioner Woolley expressed the belief that the period of federal control should be extended.

The controversy was close to Eastman's heart. Whatever the source of his belief in public ownership and operation, he believed in it at this time with firm conviction. On July 8, 1919, calling attention to the fact that he had not been a member of the commission when it made its appearance before the Senate Committee on Interstate Commerce with respect to the railroad situation and therefore had had no opportunity to join in or dissent from what was said, he sent a long letter to the committee to give his views; the letter is included in the *Report of the Commission for 1919* (pp. 54-60). He believed that the railroads should continue in the possession and control of the nation for the following principal reasons: (1) to insure necessary capital, at low cost; (2) to avoid unduly high rates; (3) to solve the problem of the "weak" roads; (4) to obtain the operating advantages which come from unification; and (5) to promote right relations with labor. He believed that criticism of government operation was not well founded, and he objected to generalizations based on faith in private initiative and fear of things socialistic. He thought that faith in private initiative sprang from experience in competitive industry, whereas competition in the field of railroads operated only to a limited extent. He contended that the word "socialistic" was a catchword "loosely used as a means of discredit in default of argument or thought." The question of public opera-

tion of railroads was "one of practical expediency rather than of political theory." He challenged, as a slander upon the government and upon the people, statements that the government never had done and never could do anything well.

From experience in both state and federal service, I am confident that no greater opportunity for useful and genuinely creative work anywhere exists than in the public service; that the great body of employees are faithful, loyal, and willing to work; that inefficiency in the service springs from the top rather than from the bottom; and that all the efficiency that is wholesome and desirable can be developed, without the incentive of excessive financial rewards, if constructive thought and criticism are substituted in sufficient measure for mere cynicism.

This expression of faith in the ability of people to act from higher motives than those of mere personal gain was repeated many times during the ensuing course of his career.

Congress did not accept Eastman's advice. By the Transportation Act of 1920 it returned the railroads to private operation, extended the powers of the commission over rates, gave the commission authority over many matters not hitherto under its jurisdiction, and, in order to make possible the performance of the added functions, enlarged the membership of the commission from nine to eleven.

During the years prior to the beginning of the New Deal period, which marked a distinct turning point in Eastman's career, public ownership of railroads remained an important topic in his thinking. Although one ground for criticism of government operation of the railroads during the war period had been the fact that the government had increased railroad rates, many railroad companies, immediately after the return of the roads to private hands, sought authorization from the Interstate Commerce Commission to institute still higher rates. In a concurring opinion in which Commissioner Woolley joined (*Ex parte* 74, 58 I.C.C. 220 [1920]), Eastman expressed the opinion that the railroads could not

function successfully without materially increased rates. Conditions were critical, he remarked, and they had not been made less so by the transition from federal to private control. It had been his hope that federal control might be continued to avoid the evils of such a transition. It had also been his hope and belief that, if federal control were continued for a reasonable period,

it could gradually be developed, in the light of experience and by genuinely constructive measures, into a system of administration which would preserve the manifest advantages of unified operation and direct governmental responsibility for the transportation system, avoid the dangers which are presumed to inhere in governmental operation by providing a management remote from political influences and free from undue centralization, and enlist the cooperation of labor by recognizing its just claim to some voice in the management.

In a scandalized tone which was probably characteristic of the attitude of a number of commissioners, Commissioner McChord wrote a concurring opinion scolding Commissioners Woolley and Eastman for injecting into the case "large political questions of governmental policy which are nowhere in issue here." Matters of policy, he declared, were to be settled by Congress and not the commission, and it was the duty of the commission to enforce the law as Congress had written it. For more than thirty years the commission had "stood four square to every wind that blows, confining its activities within the four corners of the law, and it is unwise in this critical period to complicate the real questions involved with extraneous issues."

McChord's criticism reflects what seems to have been a prevailing attitude among most of the commissioners and the employees of the commission, namely, that Eastman and Woolley were radicals who could not be trusted to maintain the high traditions of the Interstate Commerce Commission in the performance of its work. It may have been a consciousness of lack of support from their colleagues which, in 1920, led both Woolley and Eastman to

decline the privilege of becoming chairman of the commission. The chairmanship was passed around among the commissioners annually in rotation. Since Woolley and Eastman had been appointed to fill out unexpired terms of other men, it so happened that the opportunity of each of them to become chairman came relatively early in his term as commissioner. Since there were men on the commission who had served longer than they, however, both of them withdrew in favor of one of these men.

Woolley left the commission with the expiration of his term in 1921. Eastman, while winning the respect of the commissioners, continued from time to time to frighten conservatives by advocating the principle of government ownership of railroads. It is true that never, after the return of railroads from public to private hands in 1920, did he advocate the immediate resumption of government control whatever the prevailing circumstances. He saw that the people were not prepared for so drastic a step, and he admitted that the initiation of public ownership and operation should be preceded by long and careful planning. Such evidence of unbiased consideration of a project which obviously lay near to his heart—an attitude most uncharacteristic of radical crusaders—gradually quieted fears of his unorthodoxy but still left him mildly suspect.

He set forth his views on public ownership at the annual convention of the National Association of Railroad and Utilities Commissioners in October 1927.¹ The question, he said, was peculiarly one in which prejudice was likely to play a part. Aside from religion there was perhaps nothing that so excited prejudice as the fear of being separated from the opportunity for profit. Under public ownership and operation the field for profit on the part of bankers would be materially curtailed. Officers feared that they would be displaced

or that their salaries would be reduced. Directors might fear the loss of lucrative opportunities which grew out of advance knowledge of coming corporate events. Those who furnished private companies with supplies or services, often under the generous guardianship of holding companies, feared interference with existing profitable relationships. All these and many others directly or indirectly connected with the existing regime were sources of prejudice, conscious or unconscious, against disturbing change. Because of the difficult problems of valuation of railroad property for rate-making purposes, he thought public ownership peculiarly desirable. He thought public operation (as distinguished from public ownership) a different and somewhat more debatable question, but he was nevertheless in favor of it. Experience had already proved the necessity of government intervention at least to the extent of providing public regulation. Regulation was partial management, yet it was slow, indirect, and expensive.

He did not favor the administration of public operation in the ordinary routine of a government bureau or department. On the contrary, he explained, it should be kept separate and handled on a strictly self-supporting basis by a business corporation organized in the usual way but controlled through stock ownership by the government. Provision should be made for minority directors selected by nonpolitical groups, such as employees and business interests of the community. He challenged the contention that corruption and a lack of ability and zeal stood in the way of efficient operation. He repeated that he had been impressed by the devotion, industry, and high integrity of public servants far more often than by evidence of their wickedness. In this connection, however, he offered a warning as to the apparent course of our civilization.

I cannot avoid a fear that we are in danger in this country of being mired in a morass of gross materialism, in other words of becoming a nation

¹ See "Pro and Con of Government Ownership," 83 *Railway Age* 881-86 (November 5, 1927).

devoted to the worship of money. For my part I do not believe that the pursuit of profit is the chief end of man, that government is a necessary evil to be kept religiously out of all fields which may offer opportunity for private profit, or that the public service must inevitably be the domain of a certain low order of beings commonly styled politicians.

On the contrary, I believe that there is no more important field of activity than the public service, that it offers opportunities for genuinely constructive work of consuming interest, and that it ought to be able to attract as good brains as the country can provide.

An appraisal of Eastman's work as a commissioner must keep constantly to the fore the broad difference between his conception of official duty and the conception held by some of his immediate colleagues and by other government officials. Men such as William E. Humphrey and Thomas F. Woodlock, who were appointed to the Federal Trade Commission and the Interstate Commerce Commission respectively in the middle 1920's, seem to have been chosen primarily with the expectation that they would strive to prevent undue interference with the normal course of business. They tended to identify the public interest with whatever policy business chose to adopt, without government dictation or restraint. Eastman, on the other hand, had strong prejudices on behalf of the underdog and the consuming public generally and a profound distrust of both the motives and the wisdom of much of the leadership of business. Although in general his temperament was the reverse of irritable, impatient flashes of indignation shine through many of his opinions and public comments on the behavior of railroad managers. He spoke scathingly of banker control of railroads and sharply criticized the conduct of certain railroad companies in allowing their securities to be marketed by single banking houses. He criticized the depletion of railroad resources by opulent awards made to bankers and lawyers in connection with reorganization. He denounced schemes whereby, through the use of holding companies, railroad men

brought about combinations for which they were unable to get authorization in any other way. Along with his friend Justice Brandeis he tried hard to avoid the uncertainties in utility regulation and the endless litigation involved in valuation controversies by sponsoring the prudent investment scheme of valuation—a story which should make an important chapter in his full-length biography.

Attempts to promote efficiency by devising plans for the consolidation of railroad systems throughout the country took up much of the time of the Interstate Commerce Commission for a number of years. Although the commission dealt with the subject on a mandate from Congress, Eastman was never enthusiastic about it. He thought that the benefits of consolidation would flow largely to financial circles which might reap large profits from the mere process of putting railroads together. Furthermore, he said, in language which suggested the fear of bigness which characterized the philosophy of Justice Brandeis,

there is reason to believe that the country is becoming considerably alarmed by the progress of consolidations and unifications among industries in general. It is feared that control of industry is rapidly passing into a few hands, with the danger that we shall become predominantly a nation of clerks and subordinates. Perhaps this process is inevitable in some lines of industry, and it may eventually be the fate of the railroads. But there is so much doubt about its wisdom that I see no reason for accelerating the process in the case of the railroads. There are strong grounds for belief that the best results in operating efficiency and service are secured when a railroad system is small enough so that the executive can maintain something like personal contact with the employees all down the line and also with the shippers in the territory served (159 *I.C.C.* 522, 555-56 [1929]).

Efforts to bring about consolidations became entangled with other efforts to deal with the depression of 1929 and with abuses by holding companies which investigations disclosed. As chairman of the legislative committee of the Interstate Commerce Commission, Eastman joined with Senator James Couzens of Michigan and

other prominent leaders in seeking legislation to regulate holding companies and in supporting a resolution to forbid further approval of railroad mergers by the Interstate Commerce Commission until legislation to protect the public interest had been enacted. Some of the more influential railroad companies succeeded in impeding the proposed legislation and in molding consolidation to suit themselves. From a decision of the Interstate Commerce Commission which approved a plan of consolidation worked out by certain interested railroads (185 I.C.C. 403 [1932]), Eastman dissented in an opinion sharply touched with bitterness. He explained the setting of the controversy by saying that the people of the country were either fighting to bar the wolf from the door or struggling inside the threshold to keep his fangs from their throats. There was an epidemic of hope that some magic move would restore confidence and set the wheels of industry in motion. Referring evidently to the support that had been given by President Hoover, he remarked that the promoters of the plan before the commission with most powerful aid had cultivated the hope that approval of the plan would be such a magic move. These circumstances had allayed much of the opposition which might otherwise have been voiced. He summarized the whole story in the paragraph which follows:

Congress directed the commission to prepare a plan for the consolidation of the railroads of the country into a limited number of systems. Events suggest that it would have been simpler to have asked a few of the larger railroads to agree upon a plan for the distribution of the lesser railroads among them. The virtue most persistently urged in support of this 4-system plan is that it is a "practical" plan which can be accomplished, because the four leading railroad executives of eastern territory have, after many conferences, agreed upon it. In fact, the plan has in large part already been accomplished. This has been done at great cost and mostly without our approval. We have found that to a very considerable extent it was done illegally, and we could with propriety have spread this finding over much more ground. The fact remains that many important and strategic parts of the plan have been accomplished. With these trump cards

in hand the four executives went into conference. Their agreement was shaped accordingly, and upon it is now fixed the stamp of commission approval.

He continued with a detailed discussion of the Van Sweringen interests, the Pennsylvania, and the Baltimore and Ohio, using on occasion language of the sharpness of the following sentence: "In its arrogance the Pennsylvania consulted neither the Commission, nor the law, nor public opinion, and it set at naught the consolidation plan without even a suggestion that it be changed." He warned that no illegal step already taken was made legal by the commission's modification of its consolidation plan and pointed out that each step in a legal merger must be brought up individually for consideration.

III

THE controversies over consolidation, jurisdiction over holding companies, valuation, and related issues merged with the general problems of the period. Eastman's personal situation was likewise affected by the depression and the coming of the New Deal. He was becoming steadily better known as a trustworthy adviser of a liberal stamp. In his position as chairman of the legislative committee of the Interstate Commerce Commission he appeared frequently before congressional committees to discuss proposed legislation on holding companies, repeal of the recapture clause, railroad bankruptcy, loans to railroads by the Reconstruction Finance Corporation, and other topics. It was said that President Hoover was not inclined to renew his appointment at the expiration of his term in 1929, but Eastman's popularity with progressive Republicans led to their alignment with Democrats in such a way as to make it inadvisable to appoint anyone else. But if his social outlook made him objectionable to conservative Republicans, it rendered him all the more acceptable, at least initially, to the New Deal leadership.

At the beginning of his administration President Roosevelt called a special session

of Congress to deal with critical problems arising out of the depression. He asked his Secretary of Commerce, Daniel C. Roper, to begin preparation of plans for dealing with railroads. After a preliminary meeting at which three members of the Interstate Commerce Commission were present, Roper appointed a committee of three men, on which Eastman was the representative of the Interstate Commerce Commission, to hold hearings on various proposals for dealing with railroad problems. Out of a welter of proposals coming from varied interest groups the committee evolved a bill which it submitted to the President. The latter appointed a committee of six men, again including Eastman, for further consideration of the proposed measure. The revised bill, under the sponsorship of the President, was then sent to Congress, where it was introduced at the same time in both houses. Hearings on the bill were held by committees of both houses during the same period, and Eastman appeared before each committee to explain the bill.

The second title of the bill included provisions for the control of holding companies in the railroad field, repeal of the so-called recapture clause, modification of provisions as to the valuation of railroad property, and other matters which Eastman had dealt with in advocating other measures before other sessions of Congress. The name of the bill, however—Emergency Railroad Transportation Act of 1933—was given by the first title, which dealt more immediately with the problems of the economic crisis. The bill provided for the office of a federal co-ordinator of transportation who was to have the task of improving the condition of the railroads of the country by promoting cooperation and bringing about the elimination of waste. In the *Hearings* on the act before the House Committee on Interstate Commerce (73rd Congress, 1st Session), Eastman summarized in the following paragraph his appraisal of the office of co-ordinator:

It will be seen from this summary of the pro-

visions of the act that the coordinator is in no sense to be a czar of the railroads. He is to be an administrative officer of the Government whose principal duty shall be to aid and promote and, if necessary, require the cooperation on the part of the carriers which it is believed the emergency demands and which it is difficult, if not impossible, for those companies with their jealousies and intense rivalries and individual interests and present legal inhibitions to accomplish without outside, disinterested help and the aid of the Government. The coordinator is given power, appropriate to the emergency, to act without the long delays of judicial procedure. On the other hand, in view of the fact that the orders of the coordinator may override the prohibitions and restraints of many existing laws, State or Federal, the bill recognizes the need for an opportunity of review, after public hearing, by a public body experienced in these matters and knowing the reasons for these laws. This is essential, not only in the general public interest, but from a legal standpoint, for property rights will be involved, and if there is no opportunity for a review of the facts by the Commission, such an opportunity will be afforded by the courts. The Commission is not required to grant such a review, if the circumstances do not warrant it, but the opportunity will be there. From this standpoint, the coordinator assumes the role, not of a czar, but of a glorified examiner of the Commission (p. 50).

The bill was passed much in the form in which it was introduced with the important exception of the inclusion of a provision insisted upon by railroad labor organizations to the effect that reforms should not have the result of further reducing the number of railroad employees. At the Senate hearings Eastman opposed the labor amendment, saying, "I do not believe the way to solve the problem of unemployment is to retain work which is lost motion, which amounts to waste and inefficiency. I would like to see that problem attacked along broader lines, and apparently it is going to be by the government. The Administration has that in mind" (p. 59).

Eastman was offered the position of federal coordinator of transportation while hearings on the bill were still in progress, and the nomination was made official as soon as the bill was passed. When the appointment was made in June, 1933, excit-

ing events were coming too thick and fast to permit the giving of detailed public attention to the appointment of one more government official. In general, the publicity in connection with his work on the transportation bill had been favorable. In discussing the appointment, the *Railway Age* for June 24, 1933, questioned "whether an advocate of government ownership was qualified to participate fairly and constructively in the administration of the Transportation Act, which was passed to restore and contribute toward the success of private management" (p. 882). The writer conceded, however, that Eastman was one of the strongest men in government service. He called attention to an earlier statement of the *Railway Age* that Eastman's ability, industry, intelligence, sincerity, and courage made him the dominant member of the Interstate Commerce Commission and that it had for him more admiration than it had ever had for any other member of the commission. The writer admitted, furthermore, that probably no railway executive would have been acceptable to his own colleagues as federal coordinator or would have been willing to take the position.

As directed by the statute, Eastman immediately divided the railroads of the country into three regions, wherein the carriers were to choose the members of regional coordinating committees to collaborate with the federal coordinator. While this machinery was being set up, Eastman assembled a staff to work with him in Washington. The purpose of this staff was to aid him in doing or directing research on the various aspects of railroad transportation in which it was thought that changes in current practice might reduce waste. The changes proposed could be submitted to the regional committees for action; or, if he chose to do so, the coordinator could issue orders that they be put into effect.

One of Eastman's first recommendations came where it was most painful to the most powerful railroad executives. He urged them to reduce their own salaries volun-

tarily. At a meeting of the regional committees at which a number of the highest paid railroad officials were present, he expressed the belief, as quoted in the *New York Times* for July 15, 1933, that

a danger now exists in the fixing of salaries for executives in private business which did not once exist, and which grows out of the fact that great corporations with widely held stock are not really controlled by the legal owners of their properties, but rather by boards of directors who tend to become self-perpetuating and who may have a comparatively small financial stake in the industry.

He intimated at a later date that he thought a top limit of \$50,000 would be fair. In doing so he expressed in the following paragraph, contained in a press release from his office dated August 25, 1933, the philosophy of rewards which he uttered on many other occasions.

One thing certain is that money is by no means the only compensation received by a railroad executive, or even a lesser executive. The best compensation of all, in my judgment a more effective one than is commonly supposed, is the joy of creative work well done, particularly when it involves the element of public service. Lower in rank but very influential is the compensation which lies in the sense of power which such a position carries with it. Public recognition of eminence also plays its part.

He succeeded in getting top salaries reduced to a limit of \$60,000 a year.

Although Eastman succeeded in eliminating wastes from railroad operation to the extent of bringing about reductions of top executive salaries, the step was not popular with men who were traditionally hostile to government interference. The same can be said as to the considerable variety of changes which he recommended on the basis of the investigation done by his staff. Very few individuals or corporations could be expected to greet with enthusiasm catalogues of their past misdeeds even though presented in the form of recommendations as to more intelligent action in the future. Railroad officials tended to sputter indignant protests and to denounce recommendations and the men responsible

for them before taking time to examine the recommendations fairly. This tendency was enhanced by resentment at the choice of the particular men whom Eastman appointed to his staff. It is not easy for an outsider to appraise their competence. Railroad executives were typically convinced that Eastman might have surrounded himself with specialists chosen from the industry who could have given sounder advice. The railroads, although accepting a great many of the early recommendations, gradually resorted to organization among themselves through a reorganized Association of American Railroads to restrain the office of the coordinator of transportation to a condition of virtual inactivity and created effective sentiment against continuation of the office beyond a total period of three years. Eastman, who, under the statute, had a considerable amount of coercive power over the railroads, chose for the most part not to exercise it. He believed that if he issued orders which the railroads were determined not to obey, their enforcement would be held up by appeals, and recommendations which might otherwise be accepted would also be blocked.

While Eastman was engaged in attempts to prevent waste in railroad operations, he found himself in difficulties with railway labor. In July, 1933, labor was attempting to bring about restoration of wages to the level at which they had stood before a temporary cut of 10 per cent had been authorized. Management, on the other hand, talked in terms of an additional cut of $12\frac{1}{2}$ per cent. Eastman, as mediator, persuaded both parties to maintain the *status quo* for an additional period of eight months. In March, 1934, when the issue came up again, both parties were determined not to compromise. Eastman tried time and again to work out a solution, and the President was brought periodically into the controversy, but no agreement could be reached. Finally, it is said, after Eastman had taken a stand against labor on certain points, the railroads succeeded in discredit-

ing him with labor by granting concessions which Eastman had determined not to give. From that time on, relations between Eastman and labor leaders were decidedly cool.

Some people were surprised and pleased when Eastman refrained from using his position as coordinator to try to bring about government ownership and operation of railroads, while others were surprised and disappointed. He discussed the possibilities of such a step in his report to Congress in 1934 (H. Doc. No. 89, 74th Congress, 1st Session), but he outlined disadvantages as well as advantages. He listed six disadvantages, of which two seem to stand out. The first was that several billion dollars of additional debt would be laid upon the federal government when it already had a debt in excess of the maximum of the World War period. The total amount could not be foreseen, but under any method of acquisition the final determination of the compensation to be paid would in large part rest with the Supreme Court, which would be likely to resolve doubts in favor of the owners of the property. The second disadvantage was that although government acquisition and operation of the railroads would immediately make possible considerable economies, they would be largely of the labor-saving variety. The normal reaction and resistance to such economies would be magnified under present conditions. He thought that political pressure might result in an actual increase of employment and leave the government with a large deficit to make good. "Aside from the immediate financial effect upon the government, the nationalized railroads would start off as a subsidized institution, and steps along that path are hard to retrace" (p. 54).

Eastman had a much more vital and flexible concept of public welfare than many of his admirers who were emotionally committed to the achievement of that welfare only through specific governmental devices. George Creel once told Eastman's sister that her brother had made a big

mistake in not using his position as coordinator to bring about public ownership of railroads. When told that Eastman felt that this was not the time for bringing about such a change, Creel remarked that Eastman's mode of procedure reminded him of an elephant crossing a bridge. With supercaution that animal was wont to put down each foot carefully and to test the strength of the bridge at the taking of every step. When Miss Eastman told her brother about the conversation, he smiled and replied, "Well, the elephant got to the other side, didn't he?"

Among the most important of Eastman's activities as coordinator was that of recommending new legislation for enactment by Congress. His recommendations passed through the hands of the Interstate Commerce Commission, of which he was a virtually inactive member during his three-year period as coordinator, and the commission expressed its independent judgment of the measures which he advocated. He carried the commission with him on a number of matters, however, and he brought about sooner or later the enactment of measures of great importance for the transportation industry. Among the more important measures advocated and subsequently enacted were those providing for the regulation of common carriers on the highways and of water carriers in interstate and foreign commerce. "The transportation system is a unit and must be dealt with as such," said Eastman in advocating such legislation in the report to Congress already quoted. "The various agencies interlock and react, one against another, in a multitude of ways. The system cannot permanently be half regulated and half unregulated. If the principles of a battle royal are to govern, it is unfair to handcuff the railroads" (p. 12). The motor carrier bill was enacted during his period as coordinator. A measure for the regulation of water carriers was enacted soon afterward, although it was not until 1940 that the regulatory powers were placed in the hands

of the Interstate Commerce Commission. The regulation of air carriers was also provided for, but, in spite of Eastman's recommendation, it was not brought under the jurisdiction of the Interstate Commerce Commission.

Using the prospect of additional duties as justification, Eastman in his 1934 report urged upon Congress extensive reorganization of the Interstate Commerce Commission. The commission had originally consisted of five members. It had been enlarged to seven, then to nine, and finally to eleven members. With this increase in size, it had become necessary to provide for initial determination of most matters by divisions, usually of three members, subject to rehearing or reconsideration by the full commission, and to create a large staff of employees to do much of the spade work. The result, Eastman said, had been to prolong and increase the formality of the commission's procedure. With the lodgment of ultimate authority in a body of eleven men, deliberations were inevitably prolonged. Although the commission had the privilege of choosing its own chairman, it did not exercise that privilege by choosing the member most competent to serve in that position and keeping him in office thereafter with relief from duties performed by other commissioners. Instead, a new chairman was chosen each year, each member serving in rotation. Eastman asked Congress to reorganize the commission into divisions according to a prescribed plan, to enlarge the membership to fifteen, to lodge the coordination of regulation in a control board of five members, and to provide that the chairman of the commission should be appointed by the President to serve as chairman throughout the period of his appointment and to serve as head of the control board, with relief from many of the duties prescribed for other commissioners. Another member of the commission was to have specialized duties as to planning and coordination in the field of transportation similar to those which East-

man was performing under a temporary statute.

The Interstate Commerce Commission, in which there had already been jealousy of the novel agency of coordinator of transportation and resentment at the obligation to provide offices and facilities for the agency, opposed Eastman's plan for reorganization. Some of the reasons seem to have been good and others much less so. It was premature, said the commission, to work out new organization in advance of the imposition of new duties. The commission was now operating efficiently with its present organization and its present membership. It opposed the fixing of rigid rules of organization which were not subject to adjustment within the regulatory agency itself in terms of developing needs. Furthermore, the control board proposed to be set up would in essence be the commission. The remaining members would be little more than examiners. As for the chairmanship, the commission needed no additional statutory authority to select one of its members to be a permanent or continuing chairman. As for planning and research, the commission doubted the advisability of vesting such a duty in a single official outside the industry affected.

Eastman answered most of these criticisms in an ensuing report (his fourth report on transportation legislation, made in January, 1936). He had slight patience with the opposition to the proposed control board, which was based on a desire to prevent discord on the commission by keeping all commissioners on the same level. He remarked that there would be plenty of opportunity for every commissioner, whether serving on the control board or not, to achieve prestige and distinction by the character of his work. As for the argument that the commission needed no additional statutory authority to select one of its members to be a permanent or continuing chairman, he remarked that while the commission could now make this change, it would not do so. If the change

was desirable, statutory direction would be necessary (p. 44). Although some changes in the direction of Eastman's recommendations were ultimately made, partly as the result of action by Congress and partly on the initiative of the commission itself, the slate of recommendations as a whole was not adopted.

IV

IN 1936, with the termination of his work as federal coordinator of transportation, Eastman returned to the performance of his duties as a member of the Interstate Commerce Commission. In the following year he found himself a defender of the commission against proposals for reorganization which were much more drastic than those which he had offered. They came from the executive branch of the government and were in part the product of chaotic conditions which resulted from adding to the government large numbers of diverse agencies for dealing with the depression. For performance of the emergency functions, the Administration had made extensive use of some old agencies, minor use of others, and of still others almost no use at all. Of those being used it tried to bring about some degree of coordination. The independent regulatory commissions—the Interstate Commerce Commission, the Federal Trade Commission, and the Federal Radio Commission—occupied somewhat anomalous positions in the government in that they were neither legislative, executive, nor judicial but performed functions of each of the three types. The President's attempts to improve the usefulness of the Federal Trade Commission by removing William E. Humphrey, a conservative member of the Coolidge-Hoover stamp, had resulted in a sharp check from the Supreme Court. The court held unanimously that the President had no power to remove Humphrey, saying in *Humphrey's Executor v. United States* (295 U.S. 602 [1935]) that the legislation and the records of its enactments demon-

strated congressional intent "to create a body of experts who shall gain experience by length of service—a body which shall be independent of executive authority, *except in its selection*, and free to exercise its judgment without the leave or hindrance of any other official or any department of the government" (pp. 625-26). This decision seemed to prevent executive coordination of the independent regulatory commissions with the several executive agencies of the government.

In 1936 the President appointed a Committee on Administrative Management to survey the government and make recommendations of methods for the improvement of the performance of governmental functions. The report of that committee, which was submitted to Congress in 1937, included a sharp attack upon the position of the independent regulatory commissions, saying that they created a confusing and a difficult situation in the field of national administration and that there was a conflict of principle involved in their makeup and function. The committee recommended that the administrative functions of the commissions be stripped away and allotted to their proper places in executive departments, leaving the commissions to perform only those functions which were strictly judicial.

Although the bill for governmental reorganization which was introduced in the Senate to implement the recommendations of the President's Committee on Administrative Management did not include to the full the recommendations as to the independent regulatory commissions, the bill was read largely in terms of the recommendations, and the friends of the several commissions rushed to their defense. Eastman was called to testify before the Senate Committee on Government Organization when it held hearings on the bill (S. 2700, 75th Congress, 1st Session). He was much more judicious in appraising the bill than were many of its critics. He had read the report of the President's committee, he said, with

a great deal of sympathy, and he was convinced that the committee had no sinister purpose whatsoever in its recommendations. "It was endeavoring to promote efficiency in the public administration, and I do not think that I have any greater interest in life than that very thing" (p. 178). However, he thought the committee had made certain ill-advised and dangerous recommendations as to the Interstate Commerce Commission. The commission, he declared, was primarily an arm of Congress. The great bulk of its duties were legislative or quasi-legislative. Realizing that it was giving tremendous power to the commission, Congress had thought it necessary to protect the exercise of that power against abuse. To this end Congress had required that the commission proceed after the manner of a court in basing its action for the most part on records made at public hearings. It had made the commission bipartisan and hence a nonpartisan and nonpolitical body. It had assured stability and the continuity of policy by giving the commissioners long terms of office and by staggering those terms so that no new administration could make a clean sweep and overturn the entire institution. In his experience, said Eastman, those were by far the most important characteristics of the commission. Yet those characteristics were threatened in the recommendations of the President's committee and by the bill. Far from being "irresponsible" regulatory commissions, Eastman contended, the so-called independent regulatory commissions were accountable to Congress, to the courts, and to the President. In reply to the contention that the independent regulatory commissions represented aggregations of powers which did not belong together, Eastman explained at length that the duties performed by the Interstate Commerce Commission were "primarily quasi-legislative. It is the procedure which is judicial. We exercise very few strictly judicial functions" (p. 189). He contended that the efficiency and adequacy of the commission would be largely

destroyed if the proposals to divide up its functions were carried out.¹

Since Eastman was only one of many defenders of the independent regulatory commissions against plans to streamline them into positions where the performance of many of their functions would be subject to executive control, it is not possible to appraise the weight of his personal influence. The effect of the combined opposition, however, was to prevent any interference with most of the commissions. The controversy bristled with inadequately stated assumptions about the validity of the separation of powers of government. It was settled without much clarification of those assumptions. Eastman's argument reflected his concern for the public interest, his distrust of bigness in government as well as in private enterprise, and his belief in the efficiency of small governing bodies properly organized and properly devoted to the public interest. His opponents may have considered him antiquated in his thinking, biased on behalf of the tradition of which his career had been a part, and lacking in vision as to the need for powerful and efficient government to regulate a modern society dominated by mass-production enterprise.

V

BY THE end of his period of service as coordinator, Eastman had achieved a national reputation of considerable eminence. Railroad officials, who were accustomed to regard any interfering government official as a legitimate victim of their shrewdest wiles, came gradually to respect him for his knowledge of railroad enterprise and for his integrity and his efforts to be fair to all with whom he came in contact. Congress came increasingly to trust his judgment as to proposed legislation. Members of the Interstate Commerce Commis-

sion, who may have had some reason for jealousy of his individual prestige, showed their confidence in him in 1939 by voluntarily choosing him as chairman of the commission for a three-year period instead of for the customary single year. The passing years brought no let-up in the strenuousness of his mode of living. He continued to work in his office from early morning until late at night. He professed to dislike the tremendous burden of detailed investigation which he assumed, but he believed that only through his personal doing of work of this kind could he develop a proper understanding of the problems which were to be solved.

He was tolerant of interruptions and patient and considerate in the face of opposition. He gave a great deal of time to the solution of the personal problems of members of his staff. Some of his friends say that he was not a good judge of men. They illustrate by accounts of the patience which he displayed with incompetent or offending members of his staff whom other officials would have dismissed in short order. They admit, however, that his faith in individuals often proved justified in the long run and that he succeeded in bringing out good qualities in men which others would not have brought to the surface. He was criticized by railroad executives for his choice of subordinates as federal coordinator of transportation and later as director of the Office of Defense Transportation. They did not contend that he surrounded himself with "yes men," for they knew he welcomed opposition, but they argued that he did insist upon an atmosphere of such compatibility in relationships with his employees that he was prevented from taking as employees men who had the best qualifications for particular jobs. This criticism was based on the assumptions, however, that compatibility in a major organization is not highly important and that a government executive has the same power as a private executive to whip into line able but not necessarily too well-disposed subordinates.

¹ He offered for the record (pp. 192-96) an article entitled "The Place of the Independent Commission," which he had delivered as an address before the American Political Science Association in 1927. See 12 *Constitutional Review* 95-102 (April, 1928).

Eastman probably stands justly condemned as an administrator in the sense that he lacked adequate capacity for delegating to his subordinates the handling of details. In the matter of the selection of subordinates, however, the criticisms directed at him must be weighed against his capacity to win the loyalty of his subordinates and to bring out their best abilities, and against his capacity to instill in them something of his own devotion to the public service.

Amid his life of strenuous activity his time for recreation was strictly limited. He walked to and from his work. He reserved certain periods for playing squash or handball or tennis and later for exercise under the supervision of an instructor. Like Justice Brandeis he set aside Sunday evenings for dinner meetings of friends at his home. At such dinners, and on the relatively rare occasions on which he dined at the homes of his friends, he was warm and friendly and had a fund of good stories. Fayette B. Dow, who spent many summer vacations with Eastman, described these periods as follows:

He takes a vacation of three weeks on a camping and fishing trip in the wilds of northern Canada. The writer has shared many of these trips. If a camper is one who can set up his tent and stay a week at one camp site; if a fisherman is one who can fish a stream all day, then Joe is neither a camper nor a fisherman. He is an incessant *voyageur* by canoe and on foot. One night at any camp site is the rule. Two are the limit and those occasions are rare. He is not restless but he wants to move on. He reminds one of Kipling's Explorer. There is "something hid behind the ranges," and he wants to find it. Whether paddling in the middle of the river or poling foot by foot along shore against a swift-flowing current, he is never a passenger. He does his share with paddle or pole. Over a portage short or long he carries a heavy pack and frequently goes back with the guide for another load. After supper he lights his pipe and is ready for a quiet talk. His mind has been freed for the time being from the problems of Washington and does not willingly return to them. Always traveling in a territory new to him—frequently new to the guides themselves—he looks over the maps, studies the contours of the country and the courses of the rivers, and looks forward to the adventures of the rapids that lie ahead. His vaca-

tions and his work are entirely different and yet entirely alike. Both are characterized by intense effort and a zest for exploration.

But for the coming of the second World War, Eastman would doubtless have continued the performance of the normal duties of an interstate commerce commissioner until the end of his career. The necessities of war put him back at the head of an emergency organization. It was necessary not only that railroad lines be coordinated one with another but also that there be coordination of the shipping on railroads, motor carriers, and water carriers. The situation required an organization in position to see the transportation situation as a whole, to accumulate and give out information, and to persuade or coerce shipping agencies into playing the game as a single team. Except for certain labor leaders who had never forgiven him for his failure to sponsor without reservation the cause of labor against employers, Eastman was regarded as the logical man to head the organization.

In accepting the appointment as director of the Office of Defense Transportation he fulfilled initially the confidence of railroad executives by taking a stand against the restoration of government operation as conducted during the first World War. His reasons were probably similar to those which had led him to oppose resort to government ownership and operation when he was federal coordinator of transportation. The railroads, realizing that government operation was inevitable unless efficient operation could be maintained under private management, cooperated with Eastman and his Office of Defense Transportation. They made innumerable changes in their modes of operation, as a rule merely upon request without waiting for the exercise of coercion. Railroad executives complained again, it is true, about Eastman's selection of personnel, for he had called back into service many of the men whom he had used as federal coordinator of transportation instead of taking men

from the railroad industry who thought they should have been chosen. He arranged his staff, however, in knowledge of the fact that during the period of government operation in the first World War railroad leaders chosen as government executives to carry out the railroad policy of the government had often used their positions to benefit the particular companies from which they came.

The arrangement of his agency seemed at first to lack system in that it was built around personalities rather than in terms of a carefully made plan of organization. It was constantly subject to change, and quite drastic changes were made after Eastman's death had required the appointment of another director. Yet in the light of the facts that it was an emergency agency wherein experimentation and adjustment were of primary value and that extensive personnel changes usually take place with a change in directors, the amount of fluidity which characterized the Office of Defense Transportation does not seem to stand necessarily as a criticism of the plans of the first director. Comments of important railroad officials housed elsewhere in Washington that, prior to the so-called housecleaning which had taken place among personnel in the Office of Defense Transportation, they had not visited that agency for an entire year, are not necessarily to be taken as justifying condemnation of the original personnel.

As Eastman influenced railroad, motor, and water shipping agencies as much as possible through education and persuasion, so he sought to educate and persuade the public to cooperate intelligently in the transportation program. While resisting pressure to ration passenger traffic, he urged the people to refrain voluntarily from unnecessary travel, to stay at home during special holiday periods, to stagger vacation periods, to engage in car pooling, to reduce speed limits, and in other ways to conserve the limited opportunities for transportation. In view of the

fact that now as in earlier years he planned and wrote most of his own speeches, the large number of addresses which he delivered in various parts of the country must inevitably have constituted a heavy drain upon his energy. In a speech delivered in January, 1944, before a joint meeting of the American Political Science Association and the American Economic Association and subsequently published in a supplement to the March, 1944, issue of *American Economic Review*, he discussed public administration of transportation under wartime conditions and disclosed important items of his mature philosophy on the subject. It is significant of the change in his philosophy that whereas in 1919 he had urged the permanent retention of the railroads of the country in public hands, he now attributed the excellent performance of railroad operation during the second World War to the circumstance that management and operation had been left in private hands. Private managers had been put on their mettle, he said, not only to do their part in the war effort but also to show that private enterprise was capable of rising fully to the needs of a grave emergency, and they had responded wonderfully well. A similar spirit had imbued the shippers of the country, and their cooperation had been of value which it was difficult to overestimate. The same had been true of employees, he continued, except for wage controversies, and to a very considerable extent it had been true of the general public (p. 91).

He predicted that the role of government after the war would be considerably greater than it had been before the war. He was pessimistic about the prospects of dealing well with the problems which would face the government. To deal with them well, he thought, "we must have a better informed and better disciplined citizenry and public officials with a higher average of sound and strong character. Even when their aims are good, they must show less inclination to regard the end as

justification for the means and more readiness to endanger their personal careers in the defense of principles. They must not regard Gallup polls and like tests of the public opinion of the moment as controlling guides, for often these only prove the need for more general enlightenment." He continued with a suggestion which seemed to relate his own career all the way back to the vocation of his father and to the atmosphere in which he had received his own early training: "It may be that what we need most is a renaissance of religion in some form. Certainly we all stand in great need of prayer, not only while this war endures, but thereafter" (p. 93).

VI

ON FEBRUARY 17, 1944, a group of Eastman's friends met with him at a dinner at the Hotel Statler in Washington to celebrate his completion of twenty-five years of service as a member of the Interstate Commerce Commission. Although the speeches delivered in his honor were not, and were not intended to be, scientific appraisals of Eastman's career, they nevertheless reflected the fine qualities of integrity, patience, industry, determination, and kindness which had characterized his life. His reply, although delivered in part in the same vein, included also what he called a sort of twelve-point primer of what he had learned about the Interstate Commerce Commission. The primer reads as follows:

1. With the country as big and complex as it is, administrative tribunals like the Interstate Commerce Commission are necessities. Probably we shall have more rather than less. To be successful, they must be masters of their own souls, and known to be such. It is the duty of the President to determine their personnel through the power of appointment, and it is the duty of Congress to determine by statute the policies which they are to administer; but in the administration of those policies these tribunals must not be under the domination or influence of either the President or Congress or of anything else than their own independent judgment of the facts and the law. They must also be in position and ready to give free and untrammelled advice to both the President

and Congress at any time upon request. Political domination will ruin such a tribunal. I have seen this happen many times, particularly in the States.

2. The courts were at one time much too prone to substitute their own judgment on the facts for the judgment of administrative tribunals. They are now in danger of going too far in the other direction. The principle that it is an error of law to render a decision not supported by substantial evidence is a salutary principle. The courts should enforce it.

3. An administrative tribunal has a broader responsibility than a court. It is more than a tribunal for the settlement of controversies. The word "administrative" means something. The policies of the law must be carried out. If in any proceeding the pertinent facts are not fully presented by the parties, it is the duty of the tribunal to see to it, as best it can, that they are developed of record. A complainant without resources to command adequate professional help should be given such protection. The tribunal should also be ready to institute proceedings on its own motion, whenever constructive enforcement of the law so requires.

4. There is no safe substitute in the procedure of the tribunal for full hearing and argument of the issues, when they are in controversy, although the hearing need not always be oral. This takes time, but it is time well spent.

5. The decisions of the tribunal should present succinctly the pertinent facts, as they are found to be, and the conclusions reached, but also state clearly the reasons for the conclusions.

6. The statutes which the tribunal administers should be well, simply, and carefully framed, but the personnel which does the administering is more important than the wording of the statute. Good men can produce better results with a poor law than poor men can produce with a good law.

7. It is not necessary for the members of the tribunal to be technical experts on the subject-matter of their administration. As a matter of fact, you could not find a man who is a technical expert on any large part of the matters upon which the Interstate Commerce Commission finds it necessary to pass. The important qualifications are ability to grasp and comprehend facts quickly, and to consider them in their relation to the law logically and with an open mind. Zealots, evangelists, and crusaders have their value *before* an administrative tribunal, but not *on* it. Other important qualifications are patience, courtesy, and a desire to be helpful to the extent that the law permits.

8. Moral courage is, of course, a prime qualification, but there are often misapprehensions as to when it is shown. The thing that takes courage is to make a decision or take a position which may react seriously in some way upon the one who

makes or takes it. It requires no courage to incur disapproval, unless those who disapprove have the desire and power to cause such a result. Power is not a permanent but a shifting thing. I can well remember the time when it was a dangerous thing to incur the displeasure of bankers, but there has been no danger in this since 1932. It became a greater danger to incur the displeasure of farm or labor organizations. There is nothing more important than to curb abuse of power, wherever it may reside, and power is always subject to abuse.

9. Selection of the members of an administrative tribunal from different parts of the country has its advantages, but they turn to disadvantages if the members regard themselves as special pleaders for their respective sections.

10. Sitting in dignity and looking down on the suppliants from the elevation of a judicial bench has its dangers. A reversal of the position now and then is good for the soul. It has for many years been my good fortune to appear rather frequently before legislative or congressional committees. They are a better safeguard against inflation than the O.P.A.

11. In any large administrative tribunal, like the Interstate Commerce Commission, a vast amount of the real work must necessarily be done by the staff. It is a difficult problem to give the individual members of the staff proper recognition for work well done—recognition on the outside as well as the inside. It is very important that this problem be solved, but I am frank to say that its full solution has not yet been reached.

12. One of the great dangers in public regulation by administrative tribunals of business concerns is the resulting division of responsibility, as between the managements and the regulators, for the successful functioning of these concerns. For example, there was a tendency at one time, and it may still exist, on the part of those financially interested in the railroads to think of the financial success of those properties solely in terms of rates and wages and the treatment of rates and wages

by public authorities. Sight was lost of the essentiality of constant, unremitting enterprise and initiative in management. The importance of sound public regulation cannot be minimized, but it must not be magnified to the exclusion of those factors in financial success upon which ordinary private business must rely.¹

For several months before the date of the anniversary dinner, Eastman had been paying in poor health the price of a lifetime of overwork. His health grew worse thereafter, and he died on March 15, 1944. His death provided the occasion for loud acclaim from organizations with which he had been connected and from periodicals all over the country. He was hailed in varying language by conservatives and liberals alike, as the ideal public servant.² Only time will tell—if, indeed, it can ever be discovered—to what extent his good qualities entered into the lives and conduct of the people with whom he was associated and into the practices of the agencies of government which he helped to operate. Clear it is that he set a pattern of intelligent devotion to the public welfare which, if extensively recognized, would greatly uplift the character of public service in the United States.

¹ 11 *I.C.C. Practitioners' Journal* 627-28 (April, 1944). The twelve points are reproduced in the appendixes of temporary issues of the *Congressional Record* for February 23 and March 22, 1944, at pages A957-58 and A1546-47, respectively.

² Many of the memorial notices are brought together in the *I.C.C. Practitioners' Journal* for April, 1944. In the same journal for June, 1944 (pp. 845-51) see John Daniels, "Joe Eastman—Public Servant," reprinted from the *Survey Graphic* for May, 1944.

Some Notes on Wartime Federal Administration

By HERBERT EMMERICH

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I HAVE been asked to identify some lessons in public administration learned from the wartime experience of federal civilian agencies. Before dealing with this difficult topic, I think it is only fair to describe to you my purpose, my premise, my bias, and my mood.

The purpose of this talk is to attempt in a preliminary way to identify the areas in which we can learn lessons from the wartime experience in the hope that such identification will suggest to students further lines of study and evaluation. Even though some of my statements may sound dogmatic, my purpose tonight is clearly *not* to make any final evaluations or definitive appraisals for very obvious reasons.

First, the war is not over and we are too close to it.

Second, the civilian administration of the war has been so great in scope that an enormous amount of study and research is needed before definite appraisals are made.

Third, a splendid project of documentation and history has been undertaken by the government to capture and record the many facets of this huge and complicated effort, and only when this material is available to students of public administration will a really definitive appraisal of our administrative experience be possible.

The premise of this talk is peaceful preparedness. I hope you will not understand what I am going to say as meaning that I am predicting a World War III. Indeed, I

am one of those who hope that we can enlarge the United Nations to include all the nations of the world for the prevention of future wars. I assume, however, that for some time to come this country will believe that the best measure of prevention of wars is a sensible measure of preparedness and that in the 1940's, unlike the 1920's, disarmament programs will be for the war-loving nations rather than for the peace-loving nations. The several implications for public administration of this assumption or premise will be apparent later in my talk.

In this respect I hope you will understand that I am trying to take the attitude of an insurance man rather than that of a pyromaniac. My premise, therefore, is a peaceful but prepared country.

Now as to my bias. I am sure this audience will appreciate my dilemma in speaking on the subject of this meeting at this time. Unfortunately, even simple administrative talks are construed as political if given in leap year. For four months now I have been out of the federal government in the "serene atmosphere" of Public Administration Clearing House and the University of Chicago. My work is mostly with state and municipal officials. I assure you that that atmosphere is a public administration atmosphere and not a partisan atmosphere. Nor is it possible in that atmosphere to become a protagonist of any special level of government, and I am not a federalist, nor a "statist," nor even a "municipalist." Nor am I a special pleader for any agency or program. I hope, therefore, that I come

NOTE: Outline for a talk before the Washington Chapter of the American Society for Public Administration, Thursday evening, October 5, 1944.

before you with a certain objectivity and with a passion for dispassion.

If I say anything good about the administration of the war effort, it is not because I have been misled by Mr. Hannegan. If I am critical about the administration of the war effort, it is not because Mr. Brownell has deceived me. The bias of my talk, I hope, is unbiased, both jurisdictionally and politically.

My purpose, then, is to identify the problems from which we can learn lessons from our wartime administrative experience, rather than to solve them. My premise is peaceful preparedness. My bias is nonpartisan, and my mood I shall describe at the end of this talk.

There are six groups of problems of public administration arising from the civilian conduct of the war which seem to me to require identification for further study of a serious, scientific, nonpartisan nature by students of public affairs: (1) the problems of staffing, (2) the problems of consolidation, (3) the problems of liaison, (4) the problems of function *vs.* area, (5) the problems of coordination, and (6) the problems of continuous reorganization.

I. Problems of Staffing

A. World War II indicates without question the decided progress that has been made in developing a strong permanent civil service and, particularly, scientific and technical experts. A lack of strong operating career administrators who can be placed at the disposal of new agencies and who have the government know-how to supplement the industry know-how is still a serious weakness of the civil service. Much progress has been made in this field, but not enough.

B. Public administration as a science has given too much attention in the last ten years to the staff functions of a highly specialized nature, including budget and administrative planning, personnel, and accounting. The development of strong line or operating administrators in government whose experience is flexible and con-

vertible to new problems is our greatest need. The over-all management of a government department, bureau, or division is quite a different experience from the advisory and research type of staff activity of an analyst or examiner. Public administration must learn how to develop administrators.

C. The career service must continue and redouble its efforts to identify, train, and promote young men and women of marked administrative aptitude in operating line positions. Decisionism must be cultivated early, before its muscles soften.

D. The civil service might well adopt the lesson of the Army Staff and Command School and work toward the creation of a "United States Civil Service Academy for In-Service Training." The most promising people in the service in actual performance, regardless of education or other background, should be able to compete for admission to its courses and upon their successful completion should be promoted to positions of greater responsibility. No greater stimulus to good efficient work by the career civil service could be given than the creation of such an institution.

E. Government salaries in the executive and administrative brackets are entirely too low to attract people of caliber from private business and professions and the large universities and retain them. This fact has led in wartime to borrowing of dollar-a-year men. The dollar-a-year principle means that the government must go, with its hat in its hand, to an industry or a university or a labor union and ask it to pay the salary of a man while he is not working for the corporation but serving his country. Most of these men have done patriotic and unselfish jobs, and the corporations' contributions of their services to the war effort should be gratefully acknowledged. But it is a humiliating situation for the government of a great democracy to have to take refuge in this device. It is hard for the individual in question, while he is on a private payroll, to identify himself with the

government agency enough to subject himself to the discipline that government service demands. Patriotic and single-minded though he may be, he is constantly exposed to the suspicion that he may be serving interests of his firm or his industry rather than those of his agency. The morale of his staff is in continuous jeopardy by reason of his having only one foot in the government and by reason of his frequent inclination to quit at the drop of a hat.

F. In the recruitment of executive personnel for war agencies we have seen the advantages of de-formalizing peacetime competitive civil service procedures; some of these changes may be worth preserving. We have also seen an enormous experiment in agency hiring (almost essential at times of great expansion) subject to review and audit by the Civil Service Commission as a central personnel agency. This raises the question whether the time has not come for decentralization to departments of much of our civil service work.

II. Problems of Consolidation

A. Not only will the postwar civilian administration have to shrink but the number of agencies reporting directly to the President will have to diminish in order to achieve a more manageable government.

B. The pressures in our government are always centrifugal. There are strong forces always to have more and more independent agencies. Students of public administration must avoid fads in this regard. There are styles and fads in this field as there are in dress and popular songs. Remember the chorus of shrieks ten years ago for an independent air department separate from the Army and Navy—a poor preparation for a triphibious war. Remember also the clamor every time a program lagged during the war to create a new czar superimposed on another czar. One lesson we have learned from World War II is that if there are too many czars they are apt to dethrone each other. As Gilbert and Sullivan said

in *The Gondoliers*, "When everyone is somebody, then no one is anybody." In peacetime the thingamabob lobby will want a cabinet officer who is Secretary of Thingamabobs in a Department of Thingamabobs, and the widget lobby will want a Department of Widgets. Profound studies are needed as to why in the American scheme there is this insistent pressure for endless agencies and departments outside the orbit of a reasonable number of cabinet posts which any President could manage.

C. Take, for example, a problem such as the consolidation of the War and Navy departments. This, I assert, is a civilian problem, although it has military aspects, and is therefore relevant to my subject today. Civilian supervision of the military establishments, in peace as well as in war, is a fundamental tradition of our democracy. The question of consolidating the War and Navy departments has large civil implications. It has profound significance with regard to our form of government and our constitutional institutions.

Any study of this problem must, of course, take into consideration the military problems of the morale of the services and the value of their separate traditions and command, as well as their supervision and the obvious problems of their coordination in modern war. But, more basically, it must consider whether it would weaken or strengthen the authority and responsibility of a civilian commander-in-chief in a democracy and whether a dangerous power would be created by a uniformed head of a joint service. History recalls that the Union might have been destroyed if President Lincoln had delegated too much power to Generals Halleck or McClellan. War, said Clemenceau, is too serious a matter to be left to the generals.

In suggesting this problem for study, I am only suggesting that students not be swept away by the fad of the moment and by superficial considerations. From a civilian standpoint it would seem that a remarkable amount of coordination has been

achieved in this war among the services and among the United Nations through the civilian commanders-in-chief and the facilities at their disposal and through the instrumentality of the joint chiefs of staff without sacrificing the many morale values of a separate Army and Navy.

D. Consolidation of procurement and supply offers perhaps a more promising and more modest avenue of study as well as of action. I refer to consolidation of all government procurement and supply for peace as well as for preparedness, and even in the event of the disaster of another war. There are, of course, many advantages of a central purchase and supply organization which would be useful to the government during peace and would be an element of our preparedness in addition to maintaining a larger military establishment than we have been accustomed to.

Central purchasing is certainly a procedure that does not have to be argued much. Large corporations and states and cities have adopted it successfully. The postwar period seems to offer an unusually good opportunity to create such an organization because federal government purchasing should be closely correlated with the vast task of the disposal of surplus property. The organization in peacetime would be constantly in touch with various commodities and industries. In case of an emergency, production and procurement organizations would not have to be improvised suddenly with great drains by the military services and the government civilian organizations on industries precisely at a time when industry is called upon to exert a maximum effort. Elimination of overlapping and duplication of government procurement agencies would be avoided, and in times of emergency industrial mobilization would be furthered and priority administration simplified.

I offer for study and consideration, therefore, a proposal to establish a general procurement agency for the civilian departments of the government as well as for the

Army and Navy, including airplane procurement but probably excluding outdoor construction of buildings and of ships.

E. Other problems of consolidation which suggest themselves in the postwar period and which I list for study without further discussion are: (1) the consolidation of agencies having to do with labor problems; (2) the consolidation of agencies having to do with international activities of the United States; and (3) the very difficult interconnection of lending, works, and housing agencies, which have had considerable consolidation already and which, if I can be objective on this particular subject in view of my past activities, may require no more.

III. *Problems of Liaison*

A. Public administration has neglected the whole question of liaison, and I hereby identify it as a problem in need of much study, taking into account the rich and varied experience of the war.

B. Interdepartmental liaison takes many forms. It is important to prevent it from becoming interagency espionage, for when it takes this form it discredits the liaisoner and the liaisee goes mum as an oyster. Some of the problems that ought to be observed and studied are: (1) Should a liaison officer take an uncompromising view of his mission from the standpoint of his own agency? If so, how do minor questions get decided quickly where many agency viewpoints must be considered? (2) Should the liaison officer always go along no matter what is at stake? If so, he goes native and probably should be withdrawn by the agency that sent him. (Remember that the British colonial administration has never left its emissaries too long in hot climates.) (3) How does one manage to remind the agency which sent a liaison officer somewhere else that he still exists? (Remember the story of the old man in 1960 who managed the gold supply and whom the central banks forgot.) (4) Does the liaison officer have access to high officials in his

own agency so that he can bring to their attention unresolved conflicts in his inter-departmental contacts and receive new instructions or else see that the problems are promptly settled at a higher echelon? (5) What can we learn from military administration? These and many other problems of liaison require some really thoughtful attention in the field of civilian administration.

IV. Problems of Function vs. Area

A. The problem of function *vs.* area has always seemed to me the most difficult problem in administration, public or private, federal, state, or local. It is often spoken of as the relation between the central office and the field or the regional office and the area office.

B. In World War II the War Production Board, for example, was organized by industries. The regional organization and the area organization were superimposed rather late. In this setting one finds a complex triplicate relation, because there were further subdivisions at the center of staff functions, such as conservation, program planning, priority administration, and procurement, which were essentially functional. The industries divisions really were the areas, and this circumstance presented the difficult problem of how much could be delegated to the regions.

C. An even more important problem of function *vs.* area is that of the impact of concentric programs—production, manpower, price, rationing, wages, works, housing, and plant construction—on the states and on the localities. Believe me, it has been no fun to be a mayor or city manager during the war. Originally we had the Division of State and Local Government in the National Defense Advisory Committee. Rather late in the procession we attempted to restore the device in the form of the Committee for Congested Production Areas to assist the communities which were struggling under this multiple impact of concentric programs. In the now emerging problem of contract cancellations and

termination, plant disposal, and disposal of housing and works, a more considerate handling from the standpoint of the localities is essential. This is one problem on which we cannot afford to study too long. It is right upon us and requires action. In the reconversion period federal action may spell ruin for localities unless concentric programs are planned with consideration for their community impacts.

V. Problems of Coordination

A. This war has demonstrated unprecedented achievements in air, land, and sea coordination, which we might call triphibious coordination. It has also shown unprecedented achievements in international coordination of military campaigns. Perhaps this should be called trilingual coordination. What are the problems of civilian coordination?

B. Everybody wants coordination on paper. Nobody wants to be coordinated in practice. There should be a constitutional amendment prohibiting the use of the title "coordinator." The very use of that title makes people allergic to the coordinator and handicaps his usefulness.

C. Although coordinators are unpopular, coordination is a necessary function. Here, too, we must guard against fads. The same people who cry for "czars" and autonomy and hands-off will a little later demand more and more coordination. I suppose a coordinated "czar" becomes a "constitutional monarch." The quantity in which doses of coordination are administered is a matter which takes consummate skill; particularly in time of war great autonomy of operation is needed, for if every agency were perfectly coordinated without any operating autonomy, nothing would happen and the war would stop. It is equally true that if every emergency agency were completely autonomous, chaos would ensue. We have had epidemics here and there of stoppages and chaos along the line. Fortunately, they seemed more important at

the time than they eventually were found to be.

D. It is important to know how much to emphasize coordination in respect to time as well as in respect to the quantity of the dose. The war organization is a good example. The planning period of the war program started aggressively in May, 1940, after the fall of Poland, Belgium, and the Netherlands and the start of the invasion of France. The National Defense Advisory Committee, which was active from May, 1940, to January, 1941, represented the planning period. At a time when coordinated planning was essential, you will recall that the committee coordinated the planning for production, labor and manpower, prices, agriculture, materials, consumers, and other matters. From January, 1941, to October, 1942, was essentially the operating period. Without the early planning there would have been nothing to operate. In this period came the Office of Production Management (which turned into the War Production Board), the Office of Price Administration, the War Manpower Commission, and many other agencies of an operating nature.

As a result of these operations we had something to coordinate, and in the third period, with some overlapping of periods to be sure, there came into being such coordinating devices as, in the military field, the combined chiefs of staff and the Army Service Forces and, in the civilian field, the Office of Economic Stabilization and the Office of War Mobilization.

E. It is a function of those at the highest level of administration to determine whether operating autonomy or coordination should have the higher priority at a given point. What considerations should govern a decision in point of time? World War II has given us a wealth of material for study of this important problem. I suggest the proposition that, in times of emergency, coordination is more important on jurisdictional questions and policy questions than in detailed operations. The

reasons why the Central Administrative Services went out at the very time when top policy coordinating bodies were being strengthened are illustrations. I would also raise the question whether it is not better actually to consolidate and merge operations whenever it is found that they require complete coordination at the ultimate field level or the receiving end rather than to try to coordinate them from above. I recall in my own field of housing that an administrator was substituted for a coordinator, and the Federal Public Housing Authority as an operating agency consolidated six previously independent programs.

VI. *Problems of Continuous Reorganization*

A. Should all emergency functions be placed in regular departments, as was done in a few cases, or should they be put into one big emergency agency, as was contemplated under the industrial mobilization plans of 1936 and 1939? Under which arrangement will they be more responsive to emergency needs, and under which are they more likely to be liquidated when the needs are past? Here, I suggest, there may not be one answer; but the rich experience of the war may give us some criteria on which decisions in the future can be made.

B. M-Day plans (like the Industrial Mobilization Plan of 1939) are good exercises in planning. It should be pointed out, however, that they are usually prepared by military men and that they penetrate deeply into the civilian economy and institutions. They have two dangers in a democracy: (1) In periods of emergency they may lead to civilian abdication instead of delegation by those politically responsible for the conduct of the war. (2) They are rigid and do not change from time to time as war conditions and peace conditions require.

C. In wartime it is necessary to create agencies and to change them and shift them from time to time with fast-changing conditions, sometimes at a rate more speedy than it is possible to achieve in legislation.

It is therefore essential in wartime that the chief executive have the authority to establish agencies and reorganize them from time to time as the situations arise.

D. An important and useful device in adapting agencies to war changes has been the device of the Office for Emergency Management in the Executive Office of the President, accompanied by a strong Budget Bureau also located in that office. The administrative planning from month to month and the identification by the Bureau of the Budget of need for changes in order to achieve efficiency were an integral part of executive mobility, which is as necessary in wartime as military mobility. The device of the OEM made it possible to carry out these recommendations. Certainly this is a device which, if properly integrated, with congressional audit and sanction, should become an important continuing one.

E. Although often burdensome, the continuous post-audit by Congress and its committees of the war program as we have gone along has been a corrective check on mistakes of administration and an aid in interpreting new programs to the public. Perhaps there has been duplication in this field; but how much better this arrangement is than the Committee on the Conduct of the War in the Civil War, which tried to select the generals and direct the campaigns, or the belated drag hunts after World War I, which came too long after the fact and were largely postmortems.

We are prone to exaggerate the differences between the executive and the legislative. A good case could be made that this war has given evidence of closer relations and better understanding than have been found in any previous emergency.

While it may not have been immediately apparent, the mood of this talk is boastful. It is just as well we are meeting on the fifth of October and not on the fourth of July, for if you get away a little bit from

the details of the daily grist of Washington burdens, it suddenly dawns on you that only a red, white, and blue oration can begin to do justice to the accomplishments of the last three years. In spite of the shortcomings in method to which I have alluded, the result that has been accomplished will, I venture to predict, go down in history as undoubtedly the greatest job in public administration, civilian and military, on record. I solemnly believe that it is nothing short of that and, what is more, that it has been accomplished by the bureaucrats. After giving the greatest measure of credit to the military (the bureaucrats in uniform) and to industry and labor (the bureaucrats in overalls), I think it is fair to say that their accomplishments would not have been possible and that their energies would not have been released but for the planning and organizational skills of the administrators in the government agencies.

These are the white-collared bureaucrats who never get a hand. When the daily trials and tribulations of your work, the apparent confusion and frustration in little things get you down, take a look at the result and put your head up and strut a bit. You and everyone who has been identified with the war effort in the civilian work have a right to be proud of your calling.

American public administration has come to the service of the country in one of its greatest emergencies. It has delivered the goods on the grandest scale ever known. Its accomplishments exceed by far anything in the history of our country and, I even venture to say, anything in the performance of other countries in the time we have been at it. And this has been done by a maximum of voluntary effort, a minimum of duress, a maximum of civil liberty, a minimum of repression, and with an astonishing freedom from corruption and hysteria and an equally astonishing presence of goodwill, tolerance, and understanding. I shall not try to document these assertions. I leave that task confidently to the historians.

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reasons why the Central Administrative Services went out at the very time when top policy coordinating bodies were being strengthened are illustrations. I would also raise the question whether it is not better actually to consolidate and merge operations whenever it is found that they require complete coordination at the ultimate field level or the receiving end rather than to try to coordinate them from above. I recall in my own field of housing that an administrator was substituted for a coordinator, and the Federal Public Housing Authority as an operating agency consolidated six previously independent programs.

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A. Should all emergency functions be placed in regular departments, as was done in a few cases, or should they be put into one big emergency agency, as was contemplated under the industrial mobilization plans of 1936 and 1939? Under which arrangement will they be more responsive to emergency needs, and under which are they more likely to be liquidated when the needs are past? Here, I suggest, there may not be one answer; but the rich experience of the war may give us some criteria on which decisions in the future can be made.

B. M-Day plans (like the Industrial Mobilization Plan of 1939) are good exercises in planning. It should be pointed out, however, that they are usually prepared by military men and that they penetrate deeply into the civilian economy and institutions. They have two dangers in a democracy: (1) In periods of emergency they may lead to civilian abdication instead of delegation by those politically responsible for the conduct of the war. (2) They are rigid and do not change from time to time as war conditions and peace conditions require.

C. In wartime it is necessary to create agencies and to change them and shift them from time to time with fast-changing conditions, sometimes at a rate more speedy than it is possible to achieve in legislation.

It is therefore essential in wartime that the chief executive have the authority to establish agencies and reorganize them from time to time as the situations arise.

D. An important and useful device in adapting agencies to war changes has been the device of the Office for Emergency Management in the Executive Office of the President, accompanied by a strong Budget Bureau also located in that office. The administrative planning from month to month and the identification by the Bureau of the Budget of need for changes in order to achieve efficiency were an integral part of executive mobility, which is as necessary in wartime as military mobility. The device of the OEM made it possible to carry out these recommendations. Certainly this is a device which, if properly integrated, with congressional audit and sanction, should become an important continuing one.

E. Although often burdensome, the continuous post-audit by Congress and its committees of the war program as we have gone along has been a corrective check on mistakes of administration and an aid in interpreting new programs to the public. Perhaps there has been duplication in this field; but how much better this arrangement is than the Committee on the Conduct of the War in the Civil War, which tried to select the generals and direct the campaigns, or the belated drag hunts after World War I, which came too long after the fact and were largely postmortems.

We are prone to exaggerate the differences between the executive and the legislative. A good case could be made that this war has given evidence of closer relations and better understanding than have been found in any previous emergency.

While it may not have been immediately apparent, the mood of this talk is boastful. It is just as well we are meeting on the fifth of October and not on the fourth of July, for if you get away a little bit from

the details of the daily grist of Washington burdens, it suddenly dawns on you that only a red, white, and blue oration can begin to do justice to the accomplishments of the last three years. In spite of the shortcomings in method to which I have alluded, the result that has been accomplished will, I venture to predict, go down in history as undoubtedly the greatest job in public administration, civilian and military, on record. I solemnly believe that it is nothing short of that and, what is more, that it has been accomplished by the bureaucrats. After giving the greatest measure of credit to the military (the bureaucrats in uniform) and to industry and labor (the bureaucrats in overalls), I think it is fair to say that their accomplishments would not have been possible and that their energies would not have been released but for the planning and organizational skills of the administrators in the government agencies.

These are the white-collared bureaucrats who never get a hand. When the daily trials and tribulations of your work, the apparent confusion and frustration in little things get you down, take a look at the result and put your head up and strut a bit. You and everyone who has been identified with the war effort in the civilian work have a right to be proud of your calling.

American public administration has come to the service of the country in one of its greatest emergencies. It has delivered the goods on the grandest scale ever known. Its accomplishments exceed by far anything in the history of our country and, I even venture to say, anything in the performance of other countries in the time we have been at it. And this has been done by a maximum of voluntary effort, a minimum of duress, a maximum of civil liberty, a minimum of repression, and with an astonishing freedom from corruption and hysteria and an equally astonishing presence of goodwill, tolerance, and understanding. I shall not try to document these assertions. I leave that task confidently to the historians.

Public Opinion Research as a Tool of Public Administration

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OPINIONS are facts. Whether widely held throughout the body politic or insistently advanced by a militant minority, they are realities of the political process. Administrators and students of administration ignore them at their peril. One need only look at recent governmental advances into such fields as labor relations or the development of power resources to find numerous examples of administrative failures due to ignorance or misunderstanding of the facts of public opinion.

The folk tales of every nation include accounts of "good" rulers who have succeeded in bridging the gap between themselves and their subjects or constituents. The king who wandered incognito among his people, righting wrongs and overruling the malefactions of his functionaries, is a familiar legendary figure. The very generality of such tales attests to the importance of bringing the wishes and attitudes of the populace into the councils of the power-holders. Their extent and persistence further suggest the frequency with which such communication breaks down, to the detriment of the harmony established between government and governed. One need go no farther than the legendary cracker-barrel conclaves of our own rural politics—the electors facing their representatives with their queries and complaints—to understand the values associated with this aspect of the governing process.

These are the rule-of-thumb devices of a simple, decentralized society in which the responsibilities of government are slight and justice for the isolated individual is

likely to be consistent with justice for the locality and even for the nation. Because the objects served by such rough methods are of equal or greater importance in a complex, centralized, administered society, the methods themselves have been continued by governmental administrators. They have undergone only slight modification, usually in the direction of using intermediate devices rather than direct contact with the people. Administrators follow the trends of newspaper opinion, peruse the letters of complaint, suggestion, and approval which daily pour into their offices, and listen to trusted advisors who are supposed to have an ear close to the ground. They pay respectful attention to the members of the legislature and to the agents of special interest groups. Finally, they may keep their own counsel, firm in the conviction that, sprung from the people, they "know what the people want."

Major administrative policies, it is not unfair to say, typically emerge from this welter of partial, approximate data.¹ Adequate for some purposes, they are strikingly insufficient on many occasions, especially in times of chronic emergency. At such times the administrator cannot be satisfied with rough approximations; he needs to have exact data on the frequencies and intensities of attitudes and opinions and to

¹Throughout this paper, for purposes of simplicity of argument, the administrator is treated as a neutral figure, taking judicial notice of all the evidence presented to him and desiring to unearth the basic facts involved in the questions facing him. That in most cases he is not so constituted in no way modifies the conclusions presented, although it obviously alters their application in specific instances.

have an undistorted picture of the larger patterns of which these form a part.

As an answer to this need, new methods for the identification and measurement of public opinions and attitudes have emerged during the last decade as a highly significant tool which is gradually narrowing the area of purely intuitive administrative operation. In its application to government the science is a new one and is beset with the normal controversies over technique. While such debates can be left to the specialists to settle as their discipline grows to maturity, students and practitioners in public administration should explore the potentialities which this type of research holds for the field of their interest.¹ "The understanding and opinion of citizens concerned with administrative policies," Henry A. Wallace has observed, "is just as much an essential part of the administrative process as budgeting or personnel or organization."²

The application of the new means of

¹ While the methods of public opinion research in government are roughly similar to those employed commercially by market analysts, the differing requirements imposed on government and business in our culture indicate differing applications of this research tool. The "publics" of the two institutions are significantly different. If the whole society is conceived of as a pyramid, with political and economic power concentrated at the apex, the "public" of business may be thought of as a diamond pattern within the pyramid, defined by the distribution of purchasing power in the population. The latter configuration virtually ignores the lower reaches of the former. The "public" of government, on the other hand, defined by the limits of expressed social need and political power, approaches the dimensions of the whole pyramid. The sanctions imposed on business are those of the profit and loss statement, by and large, and they assume exploitation of the "public" by vigorous promotion. Acceptance of the effort by 10 per cent of the "public" usually is regarded as success by the promoter. The sanctions imposed on government, however, involve loss of political power, by ballots or by bullets. They assume education of the "public" and a measure of general participation in the policy-making process. Moreover, a high percent of acceptance is essential, in times of national emergency approaching one hundred. These differences, plus the enormously greater complexity of national governmental problems as compared with those of any business enterprise, inevitably have their effects upon all phases of the respective operations, administrative research included.

² Henry A. Wallace and James L. McCamy, "Straw Polls and Public Administration," 4 *Public Opinion Quarterly* 223 (June, 1940).

exploring this area has been somewhat limited, but it has been used in several ways, notably since the beginning of the war emergency, to an extent which indicates that it has contributions of even greater importance to make in the future.³ These contributions can be classified for purposes of discussion under two general heads: first, assistance to the operating administrator; second, supplementation of the techniques available to the administrative analyst and to the student engaged in the development of the science of public administration.

I

THERE are four broad types of contribution which public opinion research can make to the solution of problems facing the operating administrator: (1) testing hypotheses arrived at by different or less systematic methods and providing the data upon which hypotheses and plans can be based; (2) testing plans for a projected program; (3) evaluating the effectiveness of a going program; and (4) facilitating the informational aspects of an operating policy. These are not entirely coordinate and are overlapping in many specific instances, but they indicate the major directions in which the new specialization operates.

Government officials generally have sampled public opinion, although these "samples" have been intuitive and unrepresentative. Nevertheless, these "hunches," especially among administrators of a high order of competence, involve insights which lie close to the heart of administrative leadership. The responsible official thinks that his "clients" want and need a particular type of program. He has the authority

³ Some of the more enthusiastic partisans of such research have been eager to promote its use in the legislative as well as the administrative process. In a society as complex as our own, in which ambiguity of political symbols is a primary instrument of political leadership, this seems a development unlikely of early completion, particularly at the national level. The complex, almost revolutionary implications of the idea are beyond the scope of the present paper.

to institute the policy, but it may not prove wise or effective when presented to those affected. Do they agree with him? What proportion of the total population affected are "they"? How strongly will they support the proposal, and is this the time to put it into practice? What specific objections are made, and how localized are these? How vigorously do those hold their opinions who do not want the program? What reservations do they feel? These and related questions can be answered by the systematic sampling of opinion. Such answers may improve working assumptions, weed out ill-conceived notions, and save, for the benefit of all, proposals which otherwise might never be tried for lack of adequate indices of appropriateness. The research involved is not a substitute for insight but a virtual laboratory test of its accuracy. Moreover, in itself it may be productive of an additional number of useful "hunches." The trained public opinion interviewer, running a series of questions on one point, may pick up bits of evidence on quite unrelated matters which lead him to tentative hypotheses. Similarly, the analyst of interview data may derive important tangential ideas in the course of his work. Subjected in turn to systematic check, these may become proper material for administrative action.

Not all administrative hypotheses derive from such intuitive sources. They may develop out of other research methods producing systematic results which are nevertheless insufficient in themselves to answer important operating questions. Thus, the well-established methods of collecting and analyzing price and other economic data may locate a particular type of behavior which requires remedial administrative action, but they cannot effectively tell *why* individuals are acting in the indicated ways. Typically, a number of competing explanations are offered by the student of such data. Before it can be decided which to adopt, such explanations should be tested and their relative importance indicated. For example, over a period of years the

United States Department of Agriculture has operated an effective system of predicting the production of farm crops by collecting and analyzing reports on farmers' intentions to plant. During the war period, when adequate production of certain types of food and fiber is critically important, it is imperative to find out not only how much is likely to be produced but also why in certain instances farmers are not planning to produce more of certain needed crops. In the early stages of the production increase, purely economic incentives—price increases—could be relied upon to evoke greater production. As the nation's farms approach their maximum capacity, however, all manner of noneconomic influences may determine the difference between reaching and falling short of national goals—habits, irrational preferences, uncertainties about the supply of labor and equipment, lack of confidence in governmental market-support policies, and the like. In many cases these are influences which can be eliminated or limited in effect if their importance in a given situation has been verified. In others, these factors can be built into the program in such a way as to give it added strength.

Not infrequently an administrator's problems begin after it has been decided that a program shall be established.

It is rather generally recognized that highly controversial administrative purposes are handicapped, if not doomed. It is perhaps not so widely acknowledged that controversial means of achieving accepted ends may be equally disastrous. The conservation of important natural resources is a governmental responsibility which has been increasingly recognized. Many possible governmental means of achieving conservation, however, may run counter to established and essentially harmless ways of living and, if put into effect, may arouse sufficient hostility to defeat the ultimate objective. In both situations, nevertheless, the administrator must lead as well as follow. In conservation the latter course may

often result in his arriving on the scene after the time for remedial action has passed. Leadership is required not simply by the administrator's political progressivism—as is too frequently supposed—but equally by the necessity to protect a going program from regression or immobilization, as the experience with wartime inflation control amply testifies. Careful gauging of the levels of consent is essential to a proper middle course between the danger from overcaution and that from persistent pressure for the revolutionary or the unusual, whether in governmental ends or administrative means.

In selecting this middle course in both conventional and unusual programs, public opinion research can effectively test the administrator's tentative alternative plans. The need for a program may be obvious, or his agency may be under mandate from the legislature to establish one, but it may be difficult to decide which of a number of methods to use.

The many problems associated with wartime inflation control offer numerous examples of the use of opinion research in selecting among alternative methods of control. For many segments of the population, especially the farmers, the memory of the inflation which accompanied and followed World War I is vivid enough that inflation is regarded as a disaster assiduously to be avoided. Not long ago it became apparent that on one important sector of the price front all the elements of an inflationary wave were present. A series of control measures was available, the most effective of which were also the most severe. Which should be adopted?

In developing a solution for this quandary, the public opinion specialists secured data to answer such questions as the following: What proportion of the population affected recognizes the present market situation as dangerously inflationary? What correctives do respondents suggest spontaneously? How do they react to various control measures proposed hypothetically?

How do the replies to the second and third questions correlate with replies to the first? It was discovered that less than a majority viewed the current market as in a "boom" phase, that suggested controls were generally similar to those developed by government researchers, and that acceptance of the more severe control devices correlated closely with the degree of awareness of the seriousness of the current market situation. The milder controls were advocated by a large majority, although as preventive rather than as curative measures. One of the milder controls was obviously indicated, to be strengthened later by more severe measures if needed. Application of the latter would be preceded by a further study to determine changes in the informational level concerning the inflationary threat. Public opinion research thus enabled the administrator to adopt with confidence a policy which, while it might not be adequate to control the situation indefinitely, would be effective for a time and would not defeat its own end by bringing the means into the forum of serious controversy.

Under many circumstances it is not practicable for the operating official to rely heavily upon a purely hypothetical presentation of a contemplated program. While general acceptability can be determined and important modifications developed from such procedures, circumstances may require instead or in addition a more concrete test of a preferred policy. Small-scale "before-and-after" tests are practicable where a national program is, in effect, made up of a number of local or regional activities. The selection of the test area must be made with the same sort of precautions which are involved in selecting the respondent sample. Such tests have the virtue of being based on the direct experience of the respondent rather than relying upon his reaction to a hypothetical proposal, and the modifications introduced on this basis are likely to meet the requirements of the situation more adequately. Especially where a program is to be accompanied in the early

stages, as is common in the novelties of a war economy, by an informational campaign designed to facilitate understanding and acceptance, the test run is an indicated procedure. The opinion survey is its laboratory technique.

The administrator is faced with a similar problem when one of the alternative policies is strongly advocated by the representatives of an organized interest group. Whether he tends to identify the public interest with the claims of this group or to reserve judgment on the extent to which the two can be reconciled, he frequently needs to determine whether in fact the group representative speaks for his alleged constituents. The dynamics of pressure-group internal politics may result in zealous activity by the full-time representative on behalf of a policy actually supported only by an interested minority of the group, and a misleading appearance of unanimity may cloak serious dissensions within the group. Opinion research can assist the administrator in preventing his program and himself from becoming involved in potential intra-group conflicts.

The official is confronted with a more delicate problem if rival policies are advocated by opposing interest groups. Such is commonly the case in present rationing and allocation programs, where supplies of a commodity are insufficient to satisfy the demands of both or all groups. The needs (or wants) of a group of industrial consumers may, for example, conflict with the demands of the direct individual consumer and his advocates in the process of distribution or with those of rival industrial users. The measurement of felt need—a factor closely related to the economic process under such circumstances but inaccessible to the conventional methods of economic research—can be accomplished satisfactorily by the methods of attitude research. Such measurement may not directly determine the administrator's decisions, but it will enable him to judge on the basis of objective fact, free of the frequently biased evidence of rival claimants.

The going program tends to acquire a special element of sanctity, simply because it is in operation. The potential weakness of the established program, as of the "old-line" agency, is that because its methods have worked (i.e., have not stirred up major controversies), they are regarded as effective beyond question. Similarly, it may be assumed that because a program has not met with serious resistance in one region, it will without modification be equally acceptable in another. This position ignores the possibility, on the one hand, that the absence of controversy may be a symptom of ineffectiveness and, on the other, that a policy may owe its acceptance in one area to its adaptation to the unique peculiarities of that region and is, therefore, not a commodity for export.

In all these situations public opinion research can become an effective aid to the operating administrator. Periodic surveys of the going program can locate points of potential breakdown or inadequacy; as in the case of the contemplated operation, existing methods can be tested before they are applied to a new locality; where breakdowns have occurred, sources of the failure can be located.

A recent experience of one of the oldest and best managed federal conservation agencies illustrates these points. Active operations had been started a short time before in several major conservation projects in the South. The methods employed were those which had been successfully used in the less sparsely populated sections of the West, where the population affected was comparatively close to national markets and nation-wide trends. Activation of the program in the southern area was accompanied by resistance, hostility, and, in a seriously large number of cases, acts of criminal destructiveness which threatened the entire project. The findings of the government opinion researchers who were asked to study the problem revealed that the agency had, while acting in a completely legal manner, ruptured the established habits of living in the communities and to

some extent had even violated certain parts of what might be called the local code of public morality. Community standards thus condoned and even encouraged individual and group acts of violence aimed at retaliation and at destroying the project. The population of the area is remote from the main currents of national or even regional life. The patterns of economic activity which had been violated are the sole, precarious means of maintaining a bare subsistence standard of living. Cut off from the rest of the world, these patterns have a communal character bearing little relation to the structure of ownership and control accepted over most of the country. Recommendations growing out of this study provided the means of gradually adapting the program to these cultural peculiarities, making it an obvious asset to the population rather than an infringement on its "rights." In the hands of wise administrators, moreover, the experience was generalized for the entire agency to the point that its training procedures and many of its operating methods were revised.

Parenthetically, this illustration of the use of opinion research in the going program indicates the proper relationship of such a function to the rest of the organization structure. Operating in a staff capacity with ready access to the principal policy-forming officials, it should be entirely outside the hierarchical chain of command, free to investigate and to evaluate. It should be without the unconscious inhibitions upon criticism which are inevitably felt by the local or subordinate administrator who must get along with his superior and yet be able to approximate his contacts at the grass roots. Hierarchy almost necessarily is inimical to the flow of criticism from the bottom up, although it is likely to atrophy unless channels for such criticism exist.

A further point growing out of this experience illustrates the soundly democratic character of the technique when its full potentialities are explored. Some of the adaptations to their environment which the members of this community had made

suggested to the responsible administrators of the conservation project significant modifications of their own technique. These developed, it should be pointed out, after the opinion researchers had completed their work and the attitude of the officials toward the community had been fundamentally altered. The habits of the population had become a source of useful hypotheses, not simply an obstacle to the administrative program. The histories of the laboratory sciences, of medicine, of agronomy, and of administration itself are studded with instances in which the folklore wisdom of the common people has given an alert and sympathetic mind the kernel of an idea which has been developed into a major contribution to human knowledge. As governmental administration becomes increasingly generalized, centralized, and remote, it can be greatly enriched by devices which retain some measure of the contact with the wisdom and ingenuity of the ordinary citizen which characterizes government in its simpler forms. While such insights cannot be institutionalized or routinized, many of them can be captured for the benefit of effective administration by the techniques of opinion research.

A fourth area in which public opinion research can make fruitful contributions to operating administration is that of information. This is the field in which it has been most readily accepted by government officials, possibly because this is the aspect most thoroughly exploited commercially. There is an informational correlate to almost all programs, operating or contemplated. As most experienced administrators know, the freedom of action permitted by the law is further defined by the degree of public awareness of the problem the administrator is called upon to handle and by the extent to which legalized correctives are accepted. In this situation one may conceive of the administrator as having two alternatives: he can restrict his program to the limits thus imposed or he can prepare the way for broader action by an informational campaign. Whichever of these he

elects to follow, or if he chooses a compromise between them, public opinion research becomes an indispensable tool for determining the particular devices to be employed.

The major task of opinion research in this area is to discover the context in which a particular problem is viewed by the public affected. The importance of documenting this context has been amply illustrated in many of the emergency wartime programs which impinge in unfamiliar fashion upon the everyday activities of the individual citizen, especially those involving rationing and price control. Opinion studies have indicated, for example, that a rationing program will be supported if it is considered necessary by those affected. Lack of conviction of the need for a given set of restrictions has been demonstrated as a fertile soil for a rank growth of evasions and violations. Further studies have revealed an almost universal hostility to inflation, at least as a symbol, and comparably strong support of equality of sacrifice and equal opportunity for access to limited consumer goods supplies. Public opinion research in this administrative area, therefore, concentrates upon three general points: (1) Do respondents view the contemplated or existing program as contributing to these rather ambiguous but generally acceptable objectives, i.e., do they consider it "necessary"? (2) If not, what are the reasons which appear to block acceptance? (3) How should the program be presented if it is to be accepted? If the data from the first question are negative although economic evidence indicates that the program is necessary if the broad popular objectives are to be achieved, data emerging from the second and third questions provide the raw material from which an informational effort designed to support the policy can be built.

The problems of a crisis period provide the most dramatic illustrations of the use of public opinion research as an aid to educational campaigns, but those of calmer

times have equal need of it. So long as administrators are called upon to take actions unfamiliar to their publics, determination of the proper context in which to present those actions will be necessary. Used regularly, with integrity and intelligence, opinion research can foster educational efforts which not only effect the support of particular programs but which go far toward demonstrating to the citizen-consumer the connections between many governmental programs which are obscured by their distribution among various federal agencies.

These are the major contributions of opinion research to operating administration. While there are numerous examples of their application, the integration of the technique into the administrative process is still largely in the nascent stage. It will achieve its full potentialities as administrators are weaned from overenthusiastic reliance upon hunches and guesses to acceptance of systematic data when they need to know what "the public" thinks and why.

II

IF THE possibilities of public opinion research as a tool of operating administration have been only partially realized, its potential contributions to the work of those who are studying and systematizing administration and of those who are engaged in remodeling existing organizations have been virtually untouched. The two kinds of application are obviously different in the degree of generality of the objects to be served, although the basic purpose is the same in both cases—to substitute reliable data for conjecture and implicit assumption.

Both academic and practicing administrative analysts are working with certain basic concepts of a science not yet full grown, the latter perhaps being somewhat less conscious of the logical structure of their technique than the former. Both, in any case, are working with intellectual tools which would be greatly improved by

any device which would narrow the area of unsupported assumption. Sound generalizations can be made only on the basis of systematic investigations into a variety of administrative situations, especially those investigations designed to examine "principles" which assume certain uniformities in the human materials with which and upon which administration operates.¹

It is not intended to give support here to the school which alleges that administration is an art and can never be a science. It is agreed that students of administration should take greater account of the human ends and means of public organization,² but in the sense that these can be built into the science and are not eternal limitations upon it. The argument that public administration is not and cannot be a science is as specious in this instance as it is when applied to the social sciences as a whole. Such assertion stems either from differences in the definition of science or from simple ignorance of the history of science as a method. It entirely neglects the notion that sciences which have not yet achieved relatively full systematic completeness are nonetheless sciences.

If the maturity of a science is indicated by the variety of phenomena which its propositions explain, the incompleteness of public administration as a science is indicated by the frequency with which generalizations must be adapted to specific operating situations by rule of thumb. The student of public administration is in a position not unlike that of a chemist working with undistilled water. To control the

results of his work, he must either purify the water or determine the character and influence of the present impurities. Like all social scientists, the student of public administration can employ only the second sort of alternative in attempting to arrive at completeness or control. At the present time, however, he has in most cases simply assumed the purity of the water.

A major research problem in administration, as in most sciences, is the task of determining and specifying the conditions which produce variations in general principles. The classification and measurement of these conditions greatly sharpens the applicability of generalizations and limits the area of experience which must be more or less arbitrarily assumed. In administration, for example, the common insistence that an organization cannot be built around personalities is a proper recognition of a present practical limit upon the completeness of the science.³ Yet one can cite many instances in which organizations have been built around personalities, of necessity and wisely. Advances in psychology may one day permit planned variation in organizations according to the measured qualities of personalities in or available to them. As this sort of refinement of the generalizations of administration takes place, the present "art" of adapting principles by rule of thumb will become less necessary and less risky.

One of these unmeasured, undistilled areas in the study of governmental administration is the uniformity generally assumed concerning the populations upon which administration operates. Yet the literature of the field contains not a few recognitions, implicit and explicit, of the need for a sort of ecology of administration.⁴ The area remains largely unexplored.

¹ Pioneer investigations like L. D. White's *The Prestige Value of Public Employment in Chicago* (University of Chicago Press, 1929) and *Further Contributions to the Prestige Value of Public Employment* (University of Chicago Press, 1932) illustrate the type of contribution here referred to. See also Fritz J. Roethlisberger and William J. Dickson, *Management and the Worker* (Harvard University Press, 1939), for investigations in private management which have significant implications for research in public administration.

² See D. M. Levitan, "Political Ends and Administrative Means," 3 *Public Administration Review* 353-59 (Autumn, 1943).

³ See L. Urwick, "Organization as a Technical Problem," in Luther Gulick and L. Urwick (eds.), *Papers on the Science of Administration* (New York, 1937), p. 85.

⁴ See, for example, John M. Gaus and Leon Wolcott, *Public Administration and the United States Department of Agriculture* (Public Administration Service, 1940) and the former's essays in Gaus, White, and Dimock, *Frontiers of Public Administration* (Univer-

however. In carrying such investigations forward, opinion research can be a tool of major importance.

The broad scientific value of specific researches of the sort indicated obviously cannot be illustrated specifically at this time. Properly designed and executed studies of limited scope will over a period of time provide the documentation for the broader claims here asserted. The need, however, can be adequately pointed out if it is agreed (1) that variations in human behavior and in public attitudes are closely related to each other and to more tangible variations in the environment, (2) that generalizations about such complexes must become a part of a developed science of administration, and (3) that the work of students of administration shows almost no knowledge of such relationships.

A few illustrations can be offered of the kinds of specific administrative research to which the tool of opinion research can be applied. Take the fairly common case of a large federal department with a number of field staffs which are not coordinated except at the level of the department head. Such cases are common, in part because the variety of functions assigned to the department may require a high degree of specialization in field activity. An obligation to coordinate, however, may be imposed simply by the fact that, whether by accident or plan, all such field specialists represent or are identified with "the department." The usual methods of administrative analysis can reveal duplication and instances of overt conflict easily enough. A different order of problem is presented, however, by the question whether, through the multiplication of such specialized units or even in the operation of existing units, the citizen-consumer feels that there is conflict or confusion. An answer to this question can be reached by determining what

stereotypes of "the department" are held by various segments of its public, and by developing evidence on the effect such attitudes have upon response to particular programs of the department. Limited or general devices of coordination may be indicated in areas where evidence of such obstacles is strong, and correlation of such findings with other known or measurable characteristics of an area can be highly productive of general administrative rules.

The applicability of this approach to the federal government as a whole is obvious, not only in its activities within the United States but also in its broad and probably increasing work in various foreign countries. A functionalized administration does not strike a functionalized world, and adjustment of one to the other requires skill, research, and ingenuity.

Again, take the case of a governmental service of some size, whose activities are sufficiently homogeneous to permit a regionally coordinated organization. The effectiveness of coordinated relations with the states and with local governments can be determined adequately by the conventional analytical means. These can be supplemented, however, by opinion studies, especially in measuring the effect of the organization upon "clients"—determining what role the agency plays in the attitude structure of its public and measuring variations in the effectiveness of coordination devices upon the ultimate consumer.

Many a federal agency in recent years has had as a major responsibility the disbursement of assistance funds of various sorts. To accomplish this work uniform patterns of organization and operating methods were in most cases set up for the whole country. This may have been necessary, not only because of the emergency nature of most of this work but also because there existed no documentation on which to base areal variations. One may well inquire, however, how the purposes of these disbursements were affected by variations in the social structure, institu-

sity of Chicago Press, 1936); the extensive literature on regionalism; V. O. Key, "Politics and Administration," in L. D. White (ed.), *The Future of Government in the United States* (University of Chicago Press, 1942).

tions, and attitudes, and by differences in the locus and organization of local power. During the planning and development stages of these programs opinion research could measure these local distortions—probable or effective—and suggest adaptations, both educational and organizational. The richness of this sort of investigation for generalizations concerning field organization is apparent. It may well be, for example, that rules can be developed from such research to guide variations in the amount and kind of discretionary authority delegated to local officials in various types of administrative programs.

This developing research technique has enormous possibilities for the process of establishing general or specialized administrative regions. Long study by public opinion research methods may well disclose the existence of a regional distribution of basic attitudes which are significantly related to the effectiveness of governmental programs. Especially if these were found to be correlated with some more easily measured regional differences, they would provide more adequate criteria for regionalizing than are now available. In many cases existing criteria are more or less unconsciously assumed to reflect variations in the incidence of basic attitudes.¹ Like other assumptions in the field, this assumption needs to be documented.²

III

THE development of specialized units for the measurement of public attitudes itself provides an excellent point of investigation, as a case study in the evolution of governmental organization. In a simpler social and political system, the function is

submerged in less sophisticated procedures, as noted above. No longer adequately served by such methods in a society in which government occupies the pivotal position among institutions, in which the complexities of that position assume overwhelming proportions, and in which the points of decision are farther and farther removed from the citizen by inevitable bureaucratization, the function gradually achieves an individual status in the administrative hierarchy. Through systematic contributions to the governing process, opinion measurement partially fills the gap between governor and governed, widened by the virtual elimination of daily and intimate contact between the two.

The proprietor of the country general store needs no special techniques to determine what goods his customers will want him to stock. The buyer for a nation-wide merchandising corporation, however, cannot rely unconsciously on ten or twenty years of personal association in every type of community in which his company operates; he needs a more conscious device to tell him what to stock, and this device is likely to become an independent division of the company's top management.

The central point of the present proposal, for administrative analysis as well as the development of the science, is that public opinion research methods offer a promising, possibly essential means of maturing and refining the science. The existing conceptual tools and techniques of analysis are concentrated almost entirely upon the effects of certain procedures and practices upon the *internal* workings of an organization.³ These have proved valuable,

¹ For example, see *Federal Field Offices* (S. Doc. No. 22, 78th Congress, 1st Session), pp. 7 ff.

² "In our conception of a region all of man's 'mind,' 'thoughts,' 'soul,' 'spirit,' 'culture,' and 'ideas' usually observed in the form of signs and symbols (which must be considered as real entities or objects) are regarded as inextricably interwoven with all the other components of a region, and are to be studied in the same way. . . . In such a region the hopes, aspirations, wishes, and will of man in the form of words and other symbolic behavior have as real and objective

existence and influence as the mountains, the rivers, the streets, and the buildings" (G. A. Lundberg, *Foundations of Sociology* [Macmillan Co., 1939], pp. 473-74).

³ The emphasis placed in this paper upon the external relationships of an administrative unit should not exclude interest in the internal uses of this sort of research. The technique is designed to explore and measure attitudes; it is as appropriate for examining employees' attitudes as for studying those of "consumers."

and their documentation and elaboration, which constitute the almost exclusive concern of both academic and official analysts, should in no wise be discouraged. When interest moves, however, to the *external* relationships of an organization and its integration with the rest of the society—the factors which are its *raison d'être*—the existing conceptual and analytical tools are to be found at best inadequate and at worst a heavy handicap. They tend to beg the most important question at issue. Nowhere is this more apparent than in the study of the local activities of a national organization.

Public administration must be developed extensively as well as intensively if it is to reach maturity and full effectiveness. Each type of investigation has its contribution to make, and each will in turn stimu-

late the other as it is more fully developed.

It is readily apparent that these two uses of public opinion research in public administration—assistance to the administrator and development of the tools of the analyst—are not necessarily independent. Properly integrated in the administrative machinery, both contributions can in many cases be made simultaneously. It is only necessary that the promise of the technique be recognized. Administration, in its functioning and as a science, has always been highly eclectic. It has used and adapted the methods and findings of population study, of economics, of individual and experimental psychology, and of many other fields. Opinion research is another such tool, whose conclusions and techniques should be eagerly adapted and exploited.

Demobilization and the Federal Program of Veteran Aid

By BRIGADIER GENERAL FRANK T. HINES

Administrator of Veterans Affairs and Administrator of Retraining and Reemployment

MANY of the significant features of the program of veteran aid are established by legislation of the Seventy-eighth Congress. Of special importance are Public Law No. 346, the Servicemen's Readjustment Act of 1944, referred to popularly as the G.I. Bill of Rights; Public Law No. 16, authorizing rehabilitation of persons disabled in service; and Public Law No. 458, which amends the Social Security Act to provide a national program for war mobilization and reconversion and which includes among other things confirmation of the Retraining and Reemployment Administration created by Executive Order No. 9427. Taken together, these acts authorize a broad program of aid to veterans. The success of this program depends, however, not only upon the quality of its administration but also upon the degree to which full employment in an expanding economy is achieved in the postwar period. It cannot be too strongly emphasized that the reemployment of veterans and their welfare generally are closely tied in with the problem of general prosperity. In the long run the fate of the veteran is one with the fate of all workers. Only class divisions of all varieties can result from emphasis on jobs for one group when there are not enough jobs to go around. Under conditions of full production and full employment it will be relatively easy to handle the veteran problem, and it will be most difficult under any other circumstances.

There are grounds for optimism that the problems of the transition period can and

will be solved. We know what these problems are, which is something we did not know at the end of the last war. We have set standards of achievement in terms of a definite number of jobs and a definite national income. During the transition period there will be sufficient purchasing power combined with deferred demand and new demand to take care of the situation if it is properly organized and stimulated. With savings through bond purchases and the absence of civilian goods, with tremendous deferred demand for consumer goods, with the housing shortage calling for construction programs all over the country, and with prospects for increased foreign trade, we shall have ample offsets for the drastic curtailment of the federal market. We can look forward with confidence to the transition period if we plan properly in terms of the resources which the war has shown that we possess.

The transition period, however, will not be easy. There will be reconversion problems and drastic changes, including the retooling of factories and the shifting of jobs on the part of at least one-third of the population. Into this situation will come, through the process of demobilization, perhaps nine million veterans. These men will be out of touch with civilian life. They will have received and saved much less than those who remained at home. Many of them will be disabled and in need of hospitalization and rehabilitation; many will have had their education interrupted; most of them will be at a financial disadvantage.

They will want to resume careers or businesses broken up by the war, and they will need readjustment allowances and loans to get started. It is the purpose of veteran legislation to give them that start.

*The Servicemen's Readjustment Act
of 1944*

OF SPECIAL interest at this time is the Servicemen's Readjustment Act of 1944. The principal provisions of this law cover educational aid; a guarantee of loans for the purchase of homes, farms, and business property; hospitalization; and readjustment allowances during periods of unemployment. In addition, the law includes provisions of an administrative character to clarify existing laws affecting veterans, as well as provisions to insure efficient methods of demobilization with protection of veterans' rights; to authorize representatives of veterans' organizations and the Veterans Administration to function in military and naval installations on shore; to establish machinery for review of discharges, except those resulting from sentence of court martial; and other matters.

Educational Provisions. The educational provisions of Public Law No. 346 apply to any veteran of World War II who has had ninety days of active service exclusive of time spent in education under the Army specialized training program, under the Navy college training program, or as a cadet or midshipman at one of the service academies, and who was discharged under conditions other than dishonorable. With few exceptions, everyone who has served in the armed forces will be entitled to government assistance in securing at least one year of education or training in any institution of his choice which will accept him. In order to be entitled to education beyond one year the veteran must show that his education or training was interrupted by the war, but if he was not over twenty-five years of age when he entered service it is presumed that his education was interrupted. This additional education or train-

ing may not exceed the length of time spent in the service, exclusive of the time spent in the specialized training mentioned. The veteran must be successful in his studies according to the regularly established standards and practices of the institution giving the education or training. Application for training must be made within two years after discharge from service or after the termination of the war, whichever is the later, and may not extend beyond four years for the individual, or beyond seven years after peace is declared. Education may be pursued abroad if so desired.

In preparation for carrying out the educational and training provisions of the act it is provided that the Administrator of Veterans Affairs shall secure from the appropriate agency in each state a list of educational and training institutions, including industrial establishments, which are qualified and equipped to furnish education or training, which institutions, together with such additional ones as may be recognized and approved by the administrator, shall be deemed qualified and approved to furnish education or training to persons enrolled under the provisions of the act.

The Veterans Administration will pay to an institution giving training to a veteran under the provisions of this act the customary cost of tuition, laboratory and similar fees, and the cost of books, supplies, equipment, and other necessary expenses, exclusive of board, lodging, and travel, regularly required of other students in the institution, up to \$500 for an ordinary school year. An ordinary school year for colleges and universities consists of two terms aggregating thirty to thirty-eight weeks, or approximately nine months. If in addition to the work of the regular school year the veteran student takes a summer course, the tuition and related expenses for that course will be in addition to those charged for the ordinary school year. While enrolled in and pursuing a course, the qualified individual will be paid by the

Veterans Administration a subsistence stipend of \$50 a month if he or she is without dependents and \$75 a month if he or she has a dependent or dependents.

The Servicemen's Readjustment Act provides specifically against control of education by the federal government. The Veterans Administration exercises no supervision over either the institutions or the educational process. Matters of educational guidance and advice to students, of acceleration, and of course content and teaching methods are all in the hands of the institutions without interference of any kind whatsoever.

The choices of the students are also free. Any eligible person is entitled to such course of training as he may select at any approved educational or training institution in which he wishes to enroll and which will accept and retain him as a student, whether or not it is located in the state in which he resides. He may be taken out of training only if it is found by the Administrator of Veterans Affairs that, according to the regularly prescribed standards and practices of the institution giving the training, his conduct or progress is unsatisfactory.

The law covering the rights and privileges of veterans is by all measures an outstanding piece of social legislation. It provides the most extensive educational opportunity on an adult level ever sponsored by any government. How many veterans will take advantage of its educational provisions is hard to predict, for the number depends upon such variables as job opportunities.

Studies made under the direction of the information and education division of the Army Service Forces, based upon a sample of 25,000 men in the United States and on the war fronts, indicate that approximately 8 per cent of the men in the Army have definite plans for returning to full-time schooling. Indications are that about 90 per cent of all men planning to return to full-time school are qualified on the basis

of their previous education to enter college if they so desire. The chances are that probably 75 per cent of the men qualified for college will enter college rather than some other type of educational institution. If it may be assumed that approximately the same percentages can be applied to the Navy and other services, some 660,000 veterans may be expected to enter college.

In connection with the provisions for the education of veterans, the educational levels of the men in the armed forces is of interest. The education of servicemen in the present war averages second-year high school, as compared with sixth grade in the last war. In World War I the educational levels of the men in the armed services were distributed as follows: college men, 5 per cent; high-school graduates, 4 per cent; high school, but less than graduates, 11 per cent; grade-school level, 80 per cent. In World War II the educational levels are: college men, 13 per cent; high-school graduates, 24 per cent; high school, but less than graduates, 27 per cent; grade-school level, 36 per cent.

The schools and colleges of the country are making extensive plans to meet the needs of servicemen. Methods of accrediting training and experience in the armed services have been worked out. Plans are also being formulated for the educational adjustment of veterans, including reasonable acceleration to help them recapture in as short a time as possible the education which was lost as a result of war service.

Loans. The Servicemen's Readjustment Act provides for the guaranty of loans by the federal government for the purchase of homes, farms, and business property. In order to administer this title of the law a loan guaranty division has been set up under the director of finance of the Veterans Administration, with subdivisions for home loan, farm loan, and business loan guaranties. As the program develops, operations will be decentralized to regional field offices and procedures will be standardized so that the loans may be closed at the least

inconvenience and expense to the veteran and to the government.

Any persons with ninety days or more of active service or released by reason of an injury or disability incurred in service in line of duty who has been discharged under conditions other than dishonorable and who desires to purchase a home, a farm, or go into a business may apply within two years after separation from the military or naval forces, or two years after the termination of the war, whichever is the later, to the Administrator of Veterans Affairs for the guaranty of not to exceed 50 per cent of a loan or loans for any of the purposes mentioned, provided that the aggregate guaranty shall not exceed \$2,000. If the administrator finds that the veteran is eligible for the benefit, he will guarantee the necessary loan if the veteran's plans appear practicable. The portion of the loan guaranteed by the administrator shall bear interest at a rate not to exceed 4 per cent, and the first year's interest shall be paid by the administrator. Loans shall be payable in full in not more than twenty years.

Loans may be made by persons, firms, associations, and corporations or by any federal or state instrumentality. If any federal agency makes, guarantees, or insures a loan for the purposes stated and the veteran needs a second loan to cover the remainder of the purchase price or cost, or a part of it, the administrator may guarantee the full amount of the second loan; provided that it does not exceed 20 per cent of the purchase price or cost, that the total guaranty is for not more than \$2,000, and that the other restrictions of the act are met.

The purposes for which loans will be guaranteed include not only the purchase of a home, farm, or business property but also the construction of a home; disbursements for repairs, alterations, taxes, or debts on a home already owned; purchase of farm equipment and livestock; construction, alteration, and improvement of farm buildings already owned by the veteran and used for his livelihood; and the purchase of supplies, machinery, equipment, and tools for

a business on which the veteran will depend for his livelihood.

The government, through its several agencies, is providing guides and safeguards in setting up various kinds of businesses in order that the veteran may be advised of hazards in case he enters business for himself.

Hospitalization. Hospitalization and domiciliary care are extended as long as required to all veterans with service-connected disabilities. Care is provided in modern, well-appointed Veterans Administration facilities and includes all necessary medical and surgical attention. Out-patient treatment is provided when needed. Veterans who have conditions which are not service-connected are cared for as far as accommodations are available—and they are available, as evidenced by the fact that about 66 per cent of the veterans now under hospitalization are in this category.

The Veterans Administration at present has 13 tuberculosis hospitals with 6,500 beds; 30 neuro-psychiatric facilities with 41,000 beds; and 51 general medical and surgical facilities with 26,600 beds and 15,000 provisions for domiciliary care—making a total of 94 hospitals and 89,100 beds. Facilities under construction or for which funds are available will add 19,500 beds; and the President has approved in principle the acquisition of 14,100 additional beds, the number estimated as necessary to meet the requirements during the fiscal year 1946. This will make a grand total of 122,700 beds. Following the cessation of hostilities, the bed capacity will be further augmented by transfers of hospitals from the Army and Navy.

Employment. The 1,500 United States Employment Service offices and their more than 2,500 itinerant point services are ready to give the veteran special help in securing a job. For the purpose of effective job counseling and placement the Servicemen's Readjustment Act establishes a Veterans' Placement Service Board to cooperate with and assist the United States Employment Service. The board consists of the adminis-

trator of Veterans Affairs, as chairman, the director of the National Selective Service System, and the administrator of the Federal Security Agency, and it determines all matters of policy relating to the administration of the veterans' employment service of the United States Employment Service. Assigned to each of the states by the United States Employment Service is a veterans' employment representative who is responsible to the board for the execution of its placement policies through the public employment service in the state. The duties of the veterans' employment representative, in cooperation with the public employment service staff, include supervision of the registration of veterans in local employment offices for suitable types of employment and placement of veterans in employment; the securing and maintaining of current information on various types of available employment in public works and in private industry; the promotion of the interest of employers in employing veterans; the maintenance of contact with employers' and veterans' organizations to keep employers advised of veterans available for employment and veterans advised of employment opportunities; and assistance in improving working conditions and the advancement of the employment of veterans.

In order to assist in placing veterans in civilian employment the War Manpower Commission has published two handbooks for the placing of military and naval personnel in civilian jobs. These handbooks list under each military and naval job related civilian jobs calling for similar abilities and indicate the additional training, if any, needed to make the transfer, the physical activities required, and the working conditions. For veterans desiring to undertake retraining under the provisions of the Servicemen's Readjustment Act or under the Retraining and Reemployment Administration, the American Council on Education has prepared a handbook for the purpose of equating military education and experience with school and college credits.

As an aid to readjustment in civilian life,

every veteran who has served more than sixty days receives minimum mustering-out pay of \$200 and, if he has been in foreign service, a maximum of \$300. These payments are made by the department of the armed forces in which the veteran serves. In order to provide for adjustments during the transition period the veteran, if unemployed, may also receive \$20 a week up to a maximum of fifty-two weeks as unemployment compensation.

The Rehabilitation of Disabled Veterans

SPECIAL provision has been made for the rehabilitation of disabled veterans. Public Law No. 16, 78th Congress, provides for a program that will continue for six years after the termination of the war, during which period a veteran with a pensionable disability who is otherwise qualified as to service and discharge may receive up to four years of vocational training specifically aimed at the restoration of employability. To be eligible for this training, the veteran must have a disability incurred in or aggravated by service in the armed forces for which pension is payable under laws administered by the Veterans Administration, or would be but for the receipt of retirement pay, and he must be in need of vocational rehabilitation to overcome the handicap caused by such service-connected disability.¹

For the tuition, fees, books, and equipment of the disabled veteran the Veterans Administration will pay the regular charges of the institution providing training. In cases where the charge is obviously below the cost of the service, the sum will be paid which is equitable in view of the usual costs of such training. In the case of state or municipal schools or institutions which have nonresident tuition fees, there will be paid for all veteran trainees the amounts

¹ The rehabilitation program administered by the Office of Vocational Rehabilitation in the Federal Security Agency is also available to veterans, although not designed especially for them, and veterans without service-connected injuries or disabilities may avail themselves of it.

customarily paid to nonresident students, provided there is no conflict with existing legal requirements.

The disabled veteran, if he elects training, must undergo counseling and advisement. In this process his abilities, disabilities, educational experience, and aptitudes are considered in relation to his adjustment in an occupation. He receives compensation in the form of increased pension during the period of training and for two months thereafter. He receives an increased pension or maintenance allowance of \$92 a month if single, and additional allowances for dependents.

More than 13,000 veterans are currently receiving rehabilitation training and educational aid. A study of the occupational objectives of 3,000 veterans shows that of 1,000 taking professional and managerial courses, in round numbers 200 are in accounting; 100 are taking education in preparation for teaching; 100 are in mechanical engineering, 100 in law, 80 in electrical engineering, 40 in some field of writing, 30 in civil engineering, and 30 in pharmacy; 20 are graduate students headed for instructorships; and the remainder are intending to be managers, architects, chemists, county agents, dentists, advertising men, social workers, physicians, musicians, industrial engineers, clergymen, statisticians, and veterinarians, in approximately the order named. Among those training for semiprofessional occupations, totaling 330, the objectives are, in order: draftsmen, laboratory technicians, commercial artists, photographers, radio operators, undertakers, chiropractors, decorators, and designers. Those going into clerical and sales occupations total 300. Those going into agriculture number 90. Approximately 1,100 plan to enter skilled trades, over half as mechanics and repairmen.

Other Aids to Veterans

THE veterans aid program includes numerous other benefits not covered by Public Laws No. 16 and No. 346. By Pub-

lic Law No. 359, 78th Congress, the Veterans' Preference Act of 1944, veterans are given preference in civil service examinations, enjoy priority in certain specified jobs, and receive a number of other special considerations in federal employment.

Any man or woman in active service in the Army, Navy, Marine Corps, or Coast Guard may apply, while in service, for insurance of not less than \$1,000 or more than \$10,000, payable in case of death to a beneficiary within the classification designated by the law. The veteran may continue this insurance in civilian life.

Disabled veterans may make claims for pensions. Pension payments are based on reduction in earning capacity resulting from service-connected disabilities, the ratings being based as far as practicable upon the average reduction in earning capacity resulting from similar injuries in civilian occupations and not upon the impairment of earning capacity in each individual case. There is no reduction of pension if the individual is successful in overcoming his handicap. Rates of compensation or pension to veterans of World War II for service-connected disabilities range from \$11.50 to \$115.00 a month, according to the percentage of disablement. Higher rates payable for certain disabilities are specified by law.

Pension rates for the dependents of veterans whose death results from war service are fixed by law. The rates are as follows: widow, \$50; widow with one child, \$65, plus \$13 for each additional child; no widow and one child, \$25; no widow, two children, \$38, with \$10 for each additional child. The total for widow, child, or children may not exceed \$100. A dependent mother or father receives \$45; if both a dependent mother and a dependent father remain, each receives \$25.

Each veteran will find in his home community many forms of aid in his readjustment. The Congress has authorized the Veterans Administration to recognize certain organizations whose representatives will

assist the veteran in presenting claims. These include the American Red Cross, the American Legion, the Disabled American Veterans, and the Veterans of Foreign Wars. Trained and experienced representatives of these organizations throughout the land assist the veteran or his dependent without charge.

Private groups and industries throughout the country are making special plans for the proper placement of veterans in employment, and indications are that industry is carrying out not only the letter but the spirit of the law which requires that veterans be reinstated in their former jobs under certain specified conditions. Scores of industries have developed elaborate plans for the training and placement of veterans, including the disabled.

The placement of disabled veterans in useful employment presents special problems. In the past the lot of the handicapped has been hard chiefly because of the widespread notion that every job requires a whole person, with two eyes, two hands, and two legs. Added to this has been the impression that handicapped persons are prone to accidents that entail extra expense for the employer. Employer attitudes based on these and similar assumptions which have kept the disabled out of employment are changing, but they must change more.

Fortunately, there is ample evidence that the hiring of the handicapped is good business. A number of industrialists over a period of years have undertaken the experiment of employing handicapped persons in their businesses and factories and have been rewarded by finding that the handicapped when properly placed make excellent employees. Some of these industrial leaders obligated themselves to employ the same proportion of handicapped persons as existed throughout society. For instance, if one person in one thousand in the community was blind, then one blind person was included in every thousand workers.

A study by the division of industrial hazards of the Bureau of Labor Statistics in cooperation with the Office of Vocational Rehabilitation of the Federal Security Agency and the Veterans Administration, covering 300 establishments utilizing physically impaired workers, shows that 87 per cent of the 63,000 impaired workers were just as efficient as the unimpaired doing similar work, that 8 per cent were more efficient, and that 5 per cent were less efficient. Forty-four per cent of the impaired workers had absentee records no worse than their fellow workers, 49 per cent had better records, and only 7 per cent were absent more than the unimpaired. The handicapped also had fewer accidents than average, and their job turnover was considerably less.

A large automobile manufacturer employing 11,000 handicapped persons, 687 of whom are blind, has expressed well the point of view of employers who have had experience in the employment of the handicapped. He writes, and these are the words of the late Edsel Ford:

No company regards such employment as charity or altruism. All our handicapped workers give full value for their wages and their tasks are carried out with absolutely no allowance or special consideration. Our real assistance to them has been merely the discovery of tasks which would develop their usefulness.

It is necessary to convince all employers that the employment of the disabled is good business, and efforts in this direction are being made. There will be many disabled veterans. Over a quarter of a million disabled veterans of World War II are already on the pension rolls of the Veterans Administration. Everything humanly possible must be done to reestablish these men occupationally. Selective placement involves the consideration of the physical capacities and other qualifications of the individual in relation to the physical demands and other requirements of the occupation. The correlative factors in the selective placement of the handicapped are: (a) the physi-

cal demands analysis and (b) the physical capacities appraisal. Plant surveys to determine the physical and other demands of jobs for the purpose of placing various types of disabled are necessary for any large-scale success in the employment of handicapped persons. Facilities and planning for the appraisal of physical capacities to match the study of the physical demands are likewise necessary. Many large companies already have elaborate procedures for the coding of disabilities and the corresponding coding of jobs so that when a disabled person is brought into the plant for placement the problem of finding a job suitable to his pattern of physical disabilities is readily solved. More needs to be accomplished in this direction.

The Retraining and Reemployment Administration

PUBLIC administrators will be interested in the functions of the Retraining and Reemployment Administration which have to do with the human aspects of reconversion and hence with the welfare of all, including veterans. The Retraining and Reemployment Administration is an agency within the Office of War Mobilization and Reconversion and hence is subject to its policies. It is the function of the Office of War Mobilization and Reconversion, as set forth in Public Law No. 458, 78th Congress, to formulate plans and to issue orders coordinating the activities of executive agencies as these are related to the problems of the transition period without adding any new functions not authorized by law. The following policies on demobilization and reconversion are set forth in the law: (a) the War and Navy departments shall not retain persons in the armed forces for the purpose of preventing unemployment or of awaiting opportunities for employment, and (b) prime contracts for war production shall be terminated when performance under such contracts is not needed for the prosecution of the war. No contracting agency shall continue performance under contracts merely for the pur-

pose of providing business and employment or for any purposes other than the prosecution of the war.

Obviously, the Retraining and Reemployment Administration will need to relate its work to these policies, since it has general supervision and direction of the activities of all existing executive agencies (other than the Veterans Administration) relating to the retraining, reemployment, vocational education, and vocational rehabilitation of veterans, for the purpose of coordinating such activities and eliminating overlapping functions. This means that if there is not to be a good deal of hardship, definite plans will have to be made in advance so that conditions will be created at the cessation of hostilities which will be favorable to full employment. Thorough planning is essential in view of the fact that the readjustment problem may be precipitated with startling suddenness.

As I stated in the beginning, the prospects of success in meeting the problems of the transition period are enhanced by the fact that we know we have problems and are preparing to meet them. What we are doing now is in marked contrast to what was done after World War I, and most persons, I think, are hopeful and confident that the difference in sensing problems, setting standards, and providing conditions for prosperity will be just as markedly reflected in the results. After the last war we had disorganization followed by a boom and a depression. With the information, the concepts, and the controls we now have, such a calamity can and must be avoided.

I have briefly indicated the problems we face in the transition period as a nation and have described the laws and agencies concerned with the readjustment of veterans. The spirit of the veteran aid program was summed up by the President in signing the Servicemen's Readjustment Act of 1944: "It gives emphatic notice to the men and women in our armed forces that the American people do not intend to let them down."

Reviews of Books and Documents

Soviet Managerial Experience

By John N. Hazard, Foreign Economic Administration

MANAGEMENT IN RUSSIAN INDUSTRY AND AGRICULTURE, by GREGORY BIENSTOCK, SOLOMON M. SCHWARZ, and AARON YUGOW; edited by ARTHUR FEILER and JACOB MARSHAK. Oxford University Press, 1944. Pp. xxxii, 198. \$3.00.

FEW authors have devoted attention to the manner in which the Soviet government administers the vast fund of state property for which it is responsible. Except for a few articles in technical journals, studies relating to banking and housing, and general chapters in textbooks on government, there is almost nothing in English to make available to American readers the experience of the Soviet Union with the management of state-owned property.

The book under review deals with one facet of the problem. Even this facet is not treated exhaustively. The study is rather an outline of the subject with thought-provoking questions and deductions. It is a preface to the more detailed analysis which may be expected at some future time when the question is made a study project by a competent scholar or several scholars who are able to obtain their material in the U.S.S.R. itself.

The volume appears as the first in a series of international studies published under the auspices of the Institute of World Affairs, established by the New School for Social Research. It is a collection of essays on various aspects of the problem, each written by one of the three authors, and prefaced by an admirable introduction by Jacob Marschak, who states the aim of the project and the general conclusions. The introduction makes the point that many discussions of Soviet socialism are hopelessly mired in abstract concepts, ill-defined and emotionally overloaded, and that the aim of the study was to ascertain facts and

not to discuss words. In large measure the three authors have succeeded, granted the limitation under which they worked—the necessity of conducting their study from outside the U.S.S.R.

In examining materials from which facts could be derived, the authors have used the conventional sources—laws, decisions of Communist party congresses, news reports from the Soviet press, and articles in Soviet technical journals. They have also tapped a less conventional source—the Soviet novels and theater, from which they endeavor to make up for their own lack of experience in the U.S.S.R. in evaluating the effect of Soviet managerial developments upon the society in which the manager lives and upon the manager himself. They reach the conclusion that there are seeds of a new class consciousness developing. They argue that the managerial group will become self-perpetuating by virtue of the system of tuition payments in the upper grades of the secondary schools and the universities. They believe this system tends to restrict higher education to children of the managerial group, since they are the ones with the money.

It is with suggestions such as this that Soviet readers would certainly take issue, as will many of those foreigners who have lived in the Soviet Union. While it is true that the Soviet managers of industry have become the cream of the new Soviet intelligentsia, they are for the most part intensely conscious of the political background of the society in which they live and of the political philosophy on which that society has been constructed. It is hard to believe that the Soviet system will be permitted to depart from the base on which it has rested—the bench workers and the peasant. Unless the leaders of the government are ultimately drawn from persons who have never known anything but the life of the in-

telligentsia and who have never had close association with the bench workers and farmers of the fields, such a development as the authors envisage seems unlikely. No such sharp narrowing of the group from which leaders are drawn has yet occurred.

The study concentrates on the details of management and governmental controls, but it also examines incentives under the Soviet system. American authors have frequently doomed the Soviet system to failure for want of incentives. This study sets at rest such doubts as to the possibility of Soviet progress. It appreciates what American government and teaching personnel have long understood: that there are other incentives than the dollar and that recognition of achievement and a sense of personal significance in society are quite as impelling motives for individual effort as increases in a pay check. One has only to talk to the proud champion tomato grower on a collective farm with his medal on his shirt or the smiling Stakhanovite standing beside his red banner by his lathe to appreciate the extent to which the Soviet government has successfully utilized the human desire for recognition.

In reviewing the method of control exerted by the system of "business accountability," which any American manager will recognize as the cost accounting he uses in his own plant to measure efficiency, the authors discuss the planning of prices and profits. It was this planning which caused Eric Johnston on his tour of the U.S.S.R. to say that after comparing his problems with those of a Soviet plant manager he felt like a hero. It was the introduction of this system of planned profits and the accounting practices necessary to permit its operation which released the Soviet central organs from the development of a huge bureaucracy of inspectors to check on all details of management. The state planning commission now studies the production problem in each plant and sets the selling price for the product of the plant so as to assure a limited profit to the plant. If the planned profit ultimately results, the central organs of government need not examine the enterprise annually to see how well management has operated. If the profits are greater or less than planned, the management is subjected to examination prior to praise or chastisement or

revision of some factor which was incorrectly estimated in making the plan.

It is to be regretted that the authors did not include some discussion of the part played by arbitration in causing losses to be charged to the plant at fault when losses result from the relationships between two plants. It is such arbitration that makes possible the accurate functioning of the "business accountability" system as a measure of control. Without it, an annual balance sheet of an enterprise might show a profit, when in reality it should show a loss.

In reviewing the functions of the various men who make up management, the study might also have considered another member of the staff who has as important a part as the chief bookkeeper, to whom the authors do justice. This other member is the general counsel, who watches every act of the manager in the light of the maze of laws and directives which provide the limitations upon the manager's authority. It is here that the Soviet lawyer is most active, and performs a function no less important in the life of a Soviet government corporation than the general counsel in the front office of the American corporation.

A particularly thoughtful chapter is included on the role of the trade-union in Soviet industry. The changes in the position of the trade-union in the growth of Soviet socialism are recounted, and the conclusion is reached that the unions' influence has now been reduced to that of any agency to be used in spurring the workers on to increased production. The elimination of the union from the role of a share in management through the triangle committee, which formerly represented the Communist party, the labor union, and management, is given as evidence of this loss of importance, together with the elimination of the union from the machinery of hiring and from the process of fixing wages. While these changes have occurred, the fact should not be overlooked that the union remains as a grievance committee with a definite role to perform in assuring to the individual worker the full benefit of the laws applicable to his specific case. Soviet labor lawyers argue that in a workingman's state where the plant is owned by the state itself, the protection of the worker as a class is the duty of the organs of government, which are in the hands of the

working class, and there is no need for pressure to this end from the labor unions. If one accepts this thesis from the theoretical point of view, the conclusion seems to follow that a union is not an organ of mass pressure but a means of insuring protection to the individual worker by requiring the application of the law to his case. It would have been interesting if the authors had considered the theoretical aspects of a labor union's functions under socialism and the extent to which the theoretical base for the argument is supported in practice.

The final chapters on the management of the collective farm begin with a valuable review of the reasons why this form of management was pressed by the government: declining production with the break-up of estates and the extension of low-yield small-scale farming after the revolution. The relation of the Communist party and the Commissariat of Agriculture to the management of the farms is also particularly interestingly handled. One aspect of the management relationships with other agencies is overlooked, however. This is the relationship to the village soviet.

By virtue of the fact that most collective farms have the same boundaries and members as the prerevolutionary country village from which they were formed, there is considerable overlap between the functions of the chairman of the collective farm and of the president of the village soviet. One is supposed to operate

in the economic field and the other in the purely governmental field, including education, general culture, public order, health, and the like. Since clear distinction between the functions is not always possible and since each reflects so directly upon the other, it often happens that the more dynamic of the two officials controls the operations of both.

The study sees no restoration of the capitalist system of private ownership of factories or farms because of any of the measures taken during recent years to improve production. Piece work, bonuses, varied wage scales depending upon one's position in the plant are all viewed as incentives within the system of Soviet socialism rather than as the first signs of an abandonment of the economic base of the U.S.S.R. All other sources of information, as well as personal observation during wartime by this reviewer, tend to lead him to believe that the authors are correct in their orientation of the material.

American government officials who have shared the growing pains in the development of wartime controls over production in this country will be interested in this study for its wealth of material which offers comparison with problems faced on this side of the ocean. The book goes far in providing evidence in support of a point worth making—that the difference in the economies of the U.S.A. and the U.S.S.R. is no reason for ignoring the experience of the U.S.S.R. in the field of public administration.

Public Administration and the Art of Governance

By Donald Morrison, U. S. Bureau of the Budget

CASE REPORTS IN PUBLIC ADMINISTRATION.

Collected under the auspices of a Special Committee on Research Materials of the Committee on Public Administration of the Social Science Research Council. Chicago, Public Administration Service, 1940 and ff. Loose-leaf. 100 reports. \$9.40.

ABOUT four years ago the first group of *Case Reports in Public Administration* was released. Teachers and practitioners of administration applauded the imagination and energy of the Social Science Research Council's Committee on Public Administration for

thus attempting to supply systematically organized data drawn from administrative practice. There are now available one hundred cases—a number sufficient to permit some tentative conclusions about the present value and future possibilities of *Case Reports*.

I

THERE is no reason to question the basic soundness of the case approach in public administration. On the contrary, the Committee on Public Administration has demonstrated that the idea is a good one and well

worth the best efforts of the profession. This is not to say, however, that *Case Reports* is beyond the experimental stage. A careful reading of a few of the studies reveals the major deficiencies. Some of these weaknesses pertain generally to the literature of administration, while others are more limited in character. It is apparent that there are no clear-cut principles in administration comparable, for example, to the germ theory of infection. Some believed that such principles could be established by the classification and analysis of a vast number of case reports. The evidence of the hundred reports indicates that a science of administration cannot be built up in this way.

It is of minor importance that only a hundred cases have been reported in four years. Patience always has been an attribute of the scientist; but objectivity is also a requisite. The studies in *Case Reports* are prepared in almost every instance by participants who, because of their relation to the situations and to the persons involved, cannot be assumed to be objective. Most of the participants are employees of government agencies, and employees are usually required to clear with their superiors any article or statement intended for publication. A case report that has been prepared by an agency (for example, Nos. 13, 14, 35, and 36) or a report that has been cleared prior to publication is suspect unless there is absolute certainty of the reporter's independence. The relation of the reporter to the agency may explain the rather curious fact that only one of the hundred cases indicates an error of judgment by the administrator. Four of the cases suggest preliminary errors, since more than one decision was needed to solve the problem. Perhaps one should be grateful for the omniscience of administrators, but a few failures now and then would be illuminating.

Independence and objectivity of the reporter are crucial in view of the almost infinite number of variables—some obvious, others subtle and discernible only to the persistent and acute observer—present in the reported situations. To illustrate, there is the account of the reorganization of the budget and planning functions in "a large war agency"—i.e., the Office of Price Administration. (Why is it necessary to conceal the name of the agen-

cies in some of the reports?) A reader who has observed this particular problem over a two-year period commented, "Why, that is not the way it happened!" The point is not that the case is inaccurately reported, but that the reporter has selected facts which others equally observant consider irrelevant and has omitted facts which they believe pertinent.

The problem of obtaining agreement as to what happened may be complicated by the editorial requirement that each report follow a set pattern. This pattern (statement of problem, relevant facts, possible decisions, decision, and comment) is superimposed on a situation which developed in a less logical and precise fashion. Thus, the reporter may be required to create alternatives when, as a matter of fact, such alternatives did not exist or were not considered. The reporters' tendency to rationalize may explain why some of the studies made this reader feel that he was watching a card game in which a set of marked cards had been introduced. The answers are too pat. A distorted statement of the laws of chance would result if the conclusions were based on the fall of the marked cards. Similarly, an attempt to build up principles of general applicability from the analysis and classification of a large number of case reports would be questionable methodology.

II

ONE disappointing aspect of *Case Reports* is that the studies are no better than other writing in the field of public administration. Like the literature generally, the studies predominantly are concerned with methods and techniques of handling organization, personnel, finance, and other "housekeeping" problems. This preoccupation is rather puzzling. Apparently, it stems from a theory and a point of view. The theory is that there is a distinction between "policy" and "administration" and that the subject matter of public administration is always "administration" and never "policy" or "program." This theory is held so strongly that there are instances in which applicants have been considered unfit for "staff" jobs because they had a strong interest in "policy." The point of view is that "good administration" consists of the application of certain methods and techniques in the sphere of "administration." To the amazingly large number who profess this

view the soundness of administrative organization and procedure is fundamental, while that of policy is incidental and even irrelevant. Thus, "good government" is "good administration" and is an end in itself.

Others have pointed out the dubious origin of many of the so-called principles of administration. Certainly there is no general agreement as to what the fundamental principles are, and no "principle" has been validated by any acceptable scientific methodology. Many students of administration also are aware that, except when language is used broadly and loosely, it is not possible to segregate "policy" and "administration." Most research and writing, however, continue along lines which assume that principles have been established and that they are universally applicable in the sphere of "administration" irrespective of "policy." The assumed principles relate solely to methods and techniques; and belief in, or the attempt to establish, their scientific validity has produced a one-sided literature.

The most neglected phase of administration has to do with *governance*. Some fifty years ago Woodrow Wilson pointed out that the "study of administration, philosophically viewed, is closely connected with the study of the proper distribution of constitutional authority." Subsequent developments have made it clear that in a modern industrial society government must in a large part be turned over to administrative departments and agencies. Today governance by the bureaucracy would lead Wilson to say that the study of administration, practically viewed, is the study of the *exercise* of constitutional authority.

The way in which authority is exercised is important. Mr. Rowland Egger's remarkable review of *A Bell for Adano*¹ emphasizes the point that an administrator who has a fundamental appreciation for the value and dignity of man acts in a certain way. Major Joppolo is a "good man," and in governing the village of Adano he provides a "democratic administration." This suggests that it has been a mistake to declare that the principles of administration apply under any form of government and to assume that administration (or governance) is not concerned with political

theory. Since special efforts are required to get the political theorist past Machiavelli, the quarantining of theory has had unfortunate consequences. Theorists have been deprived of the invigorating influence of close participation in and observation of governmental processes, and the study of administration has been denied the insight and sense of the significant which the good theorist could bring to the job. Political theory, instead of being the core of the study of administration, is relegated to the position of an irrelevant subject connected with administration only in the sense that both are about government. Research and writing in administration continue to be atomistic, first, because there are no recognized principles which are peculiar to administration, and, second, because students of administration have not availed themselves of the continuity which theory might provide.

To put the matter succinctly, the subject matter of public administration has been defined so as to leave a no-man's land of significant problems, flanked on one side by the students of administration and on the other by political theorists. The problems thus isolated have their origin in the fact that in its fundamental aspect administration is governance. Some of these subjects are peculiarly suited to the case study technique.

One such problem, perhaps the most urgent, is to develop and strengthen ways of insuring that government by the bureaucracy does not destroy the democratic pattern of our society. Unless it is assumed that such insurance lies in the perfection of organizational structure and techniques of fiscal and personnel management, the present series of case studies does not deal with this matter. Many persons believe that the TVA experiment is suggestive of ways of democratizing bureaucratic government. Ten TVA studies are published in *Case Reports*, but none deals with the integration of the TVA program into the social and economic life of the area. These studies are concerned with the organization of accounting, office services, correspondence files, coordination of service functions, location of accounting records, control of official travel, relations of the personnel and operating departments, collective bargaining machinery, employee grievance policy, and the acceptance of favors.

¹"Fable for Wise Men," 4 *Public Administration Review* 371-76 (Autumn, 1944).

Administrative processes are also aspects of governance that have received inadequate attention. A chief difficulty with the present literature is that generalizations have not been supplemented by detailed analyses in particular subject fields. For this reason, writing about "the administrative process" tends to be abstruse and not very informative. To stimulate the study of administrative processes in several fields of governmental activity would be a substantial contribution. The War Labor Board, for example, has dealt with more than ten thousand cases involving labor disputes. These cases undoubtedly reveal in a precise way the various factors involved in a labor dispute and the effectiveness of the tri-partite board in solving such disputes. The Office of Price Administration has issued almost six hundred price regulations. What are the processes involved in the administration of prices? The possibilities for this type of study are limited only by the activities of federal, state, and local governments and by the willingness of students of administration to exploit the wealth of material.

Teaching activities of university schools of public administration generally have been limited to training for "staff" positions. Undoubtedly the scope of *Case Reports* is a reflection of this general emphasis. But aspirants to public service careers also need training which will fit them for operating jobs. Case studies which describe problem situations in considerable detail would be useful in training students to analyze a problem and to make appropriate decisions. The case method serves this function in the study of law, business administration, and medicine. The student is trained to isolate issues. Of the observable facts, which are relevant parts of the problem? Does an analysis indicate that the solution is an organizational change, a shift in personnel, a redefinition of policy, or a refinement of program? Is the problem one which can be solved by getting an agreement on the controlling facts? Some of the hundred *Case Reports* might be used in this way: No. 98, in which a new manager arrived in a branch office before headquarters notified the acting manager and the staff of his appointment; and No. 69, in which a department head was confronted by a delegation of irate relief workers who had been deprived of several weeks' work be-

cause of mismanagement in the city government. To be most useful, such studies should deal with governmental operations in specific subject fields. There is a desperate need in government for young men with keen, alert, analytical minds, an understanding of how to work with people, a sound knowledge of a subject field, an appreciation of governance, and a balanced sense of public policy. The ability of the universities to furnish such people depends in part on the broadening of research and writing in the field of public administration.

III

THESE matters have been discussed because the present *Case Reports* are not satisfactory. University colleagues known for their industry, patience, and sympathy for the case approach confess that they have not made a practice of assigning *Case Reports* to students and that they themselves have read only a few of the studies. Although the extent of use by administrators is not known, there is evidence to indicate that the reports have not been widely used in government training programs. In view of the need for systematically organized data of this kind, the fact is of more than ordinary significance. The reviewer thinks that *Case Reports* has not been more widely used because many of the studies are not concerned with genuinely significant problems. As was said of Gratiano, frequently the "reasons are as two grains of wheat hid in two bushels of chaff."

The Committee on Public Administration can do little with its experiment in case studies unless it receives active support from the profession. It has not had such support in the past. Only one hundred cases have been reported in four years; a majority of the reports are less than three thousand words in length; and the committee has resorted to the questionable technique of having a situation "told" to a reporter, who then prepares the study for publication.

Students of public administration, political theory, and the social sciences generally need to be drawn into an organized research endeavor that has as its primary objective the study of the governance aspects of administration. In such an undertaking the contributions of administrators would of course be in-

valuable, but it is doubtful if this experience can be made available unless there is a willingness on the part of students to get down into what are called the lower levels of the hierarchy. This job is not limited to those who happen to be employed in Washington. Many federal agencies have offices in each of the states and we have not yet begun to tap the experience of state and local governments. There are relatively few political scientists who do not have at hand an opportunity to make the kind of administrative studies that are needed so badly. The Social Science Research Council is in a position to supply the leadership required to mobilize and focus this latent scholarship.

If the observations of this review are faulty and if the committee believes that it would be undesirable to broaden the scope of its project, it might attempt to develop sources which can contribute studies regularly and systematically. Possible sources are the various

state and local bureaus of governmental research scattered through the country and such organizations as the Public Administration Service. The principal use of these reports would be to provide suggestions for the solution of the types of administrative problems now covered. A sketchy report is satisfactory for this purpose. A variety of problems and solutions is more important than comprehensive description. Since most federal agencies are rather well equipped for administrative planning activity, *Case Reports* might concentrate on state and local government.

If this alternative is adopted it will contribute to keeping the study of administration within the present narrow limits. No doubt *Case Reports* in time would increase our skill in applying methods and techniques—a worthy objective. But a reorientation of the project along lines suggested above seems more likely to increase our understanding of the art of governance.

Political Ends and Administrative Means: The Administrative Principles of Hamilton and Jefferson

By J. Donald Kingsley, Antioch College

THE ADMINISTRATIVE THEORIES OF HAMILTON AND JEFFERSON: THEIR CONTRIBUTIONS TO THOUGHT ON PUBLIC ADMINISTRATION, by LYNTON K. CALDWELL. University of Chicago Press, 1944. Pp. ix, 244. \$3.50.

PUBLIC administration," Professor Caldwell observes in the opening chapter of this stimulating book, "is truly a branch of politics, and the administrative theories of great public administrators cannot be understood without reference to their political objectives, their emotional promptings, and the measure of their values."

The point is an important and timely one. Its neglect accounts in large part for the sterility of much American writing in the field of administration and for a dangerous and widespread confusion of ends with means. Its denial has led to the elaboration of a synthetic administrative science in which historical accidents have assumed the shape of universals

and in which the organizational patterns appropriate to an army or a predatory corporation have been urged as models for a ministry of culture.

Whether the separation of ends from means is a mark of decadence in a society is a point which we can, perhaps, leave to the moralists. But in social fields, at least, we cannot profitably exclude values or ultimate objectives, and any attempt to do so is foredoomed to failure. We all have our "inarticulate major premises," even when we are unaware of them; and the great administrator is also a great politician who improvises his means in full view of the ends he pursues.

This conclusion is nowhere more fully documented in American literature than in this analysis by Professor Caldwell of the administrative ideas of Hamilton and Jefferson. The American governmental system was forged in an expectant and agitated age in which the landed interests were everywhere waging a

losing battle against a rising capitalist class for control of the state. That struggle, like all great struggles for power, affected every political premise and colored every administrative decision.

The grand stakes which were in play lent to the politics of the period an epochal significance which has scarcely been rivalled until our own day. But the sharp divergence of interest affected administration as well, and the early history of the Republic underscores the fact that men can be agreed upon means only as they are united in the pursuit of common ends.

What I am suggesting, and the thesis which I believe Professor Caldwell's book supports (though I wish he had developed it more explicitly), is that a "science" of means is a possible adventure only in a stable social environment in which the effective political elements accept a common ideology and adhere to a common scale of values. In a society thus unified through an unchallenged ruling class, a body of relevant administrative principles and precepts can be developed and can gain wide acceptance. But such principles and precepts are entirely relative, and their validity is determined in the final analysis only in terms of the social structure of the state and the ends most ardently desired by those groups which are politically dominant.

This thesis is important for any understanding of the contrasting administrative theories of Hamilton and Jefferson, for the close balance of divergent interests in the new Republic brought sharply into focus the disparate means appropriate to different ends. Mrs. F. S. Oliver has said of Hamilton that his idea of statesmanship was "the faithful stewardship of the estate." He viewed mankind, as he viewed natural resources, "as material to be used, with the greatest possible energy and the least possible waste, for the attainment of national independence, power and permanency."¹

These are the ideals of the business manager with his eye on the financial balance sheet. In various guises, as Professor Tawney has shown, they formed a central core of Puritanism: the first coherent philosophy of the

middle classes. Our business civilization is permeated with similar assumptions of value, and it was the ultimate triumph of the business classes over those groups for whom Jefferson spoke which lends to the ideas of Hamilton an air of modernity.

It is clear and has often been noted that Hamilton placed human values far down on his personal scale. In his view, and in that of the groups whose aspirations he so ably represented, men were merely the objects of administration: they were instruments to be manipulated or managed to some purpose outside themselves, be it material power or institutional survival. The masses of the people were not individuals but—in a language shortly to be enormously popular—factors of production, labor power.

Such a scheme of values, and the great ends to which it was related, inescapably determined the administrative means to be employed: centralization, integration, coercion, the declaration of policy by the managers at the top. Hamilton was, in fact, the first great American exponent of what Mr. Burnham has called the "managerial revolution," and it is, perhaps, unnecessary to point out that both the political and the administrative characteristics of the Hamiltonian state are identical with the organization and objectives of the modern business corporation. Hamilton's ideas are modern because for one hundred years or more history has been shaped by the class whose apologist he was.

This point is not always clear in Professor Caldwell's otherwise excellent work, and his immersion in the deep pool of our contemporary ideology leads him occasionally to questionable conclusions. He maintains, for example, that "Jefferson's thought on administration was more closely defined by political ideology than was the corresponding thought of Hamilton." I doubt that any such conclusion can be supported, though in one form or another it has often been advanced by those who share Hamilton's ideology. But it seems to me that nowhere else in the whole range of political literature—not excluding the works of Lenin—can one discover a more systematic ideological structure than that developed by Hamilton. If the impact of his political and social assumptions upon his administrative thought is less apparent than in

¹ Frederick Scott Oliver, *Alexander Hamilton* (Archibald Constable & Co., 1905), p. 450.

the case of Jefferson (which does not seem to me to be true), that must be the result of the contemporary acceptance of the Hamiltonian assumptions.

In any event, if I were to make any criticism of Professor Caldwell's illuminating study, it would be that he does not push deeply enough his analysis of the impact of social politics upon administrative ideas. It is this, it seems to me, which leads him to conclude that Jefferson's administration was capricious and contradictory. A broader and more fundamental interpretation of the politics of the period (in terms of the emergent class structure of the society) might have led him, as it did the late Professor Parrington, to conclude that Jefferson acted as consistently as Hamilton in the light of his major objectives and the basic interests for which he spoke.

If it be true, as I think it is, that administration is a branch of politics, it follows that our approach to the discovery of administrative principles must be historical. We cannot usefully extract the administrative ideas of Hamilton or Jefferson from their political context, for we shall not then understand them, and their practical application will involve the incorporation of unexamined assumptions into our administrative system. This, it seems to me, is what makes Lynton Caldwell's book a work of prime importance. We have had, in the field of administration, too much synthetic philosophy disguised as science and not enough examination of the relation of administrative devices and techniques to major political objectives. We need, far more than we have done in the past, to recognize the relativity of means to ends and to escape from the sterile conception that administration is an end in itself or that efficiency and economy are objectives superior to any others which may be sought. This can best be done by the acquisition of perspective and by the careful analysis of administrative devices and techniques in relation to the broad ends they are to serve.

What I am suggesting is that the proper approach to the study of administration is the one which Professor Caldwell has followed; and this is particularly important at the present time. We are today living in another agitated and expectant age in which new so-

cial groups with new aspirations are bidding for a share in power. Under such circumstances, wise men look to their assumptions.

Let us consider, for example, the administrative implications of the political awakening of labor. So far as they are today ascertainable, the administrative ideas of the representatives of American labor are much closer to those of Jefferson than to those of Hamilton. Jefferson, with his concern for the development of the individual, was less interested in management or efficiency than he was in mass participation in the administrative process. This interest is, in fact, the key to his whole administrative theory. It led him to his ideas on decentralization, for, under the conditions prevailing at the time, widespread participation could be secured only if there were a dispersion of governmental functions. Today, to be sure, we can have decentralized administration of national functions—as we have, for example, in the administration of our wartime manpower controls. It is, therefore, at least speculative that Jefferson, were he alive today, would be less insistent upon states' rights, for his major objective can be achieved by the integration of representative functional groups into the national administrative structure.

Be that as it may, it is clear that labor has today assumed the mantle of Jeffersonian participation; and that this emphasis is transforming American administration before our eyes. Nor are such transformations confined to the public sector of the economy. In industry, too, labor-management committees are slowly altering the centralized, coercive, integrated administrative structures so dear to Hamilton and replacing them with less orderly but more democratically organized systems.

These changes, too, support the thesis Professor Caldwell so ably presents and underscore the necessity of developing, in the light of rapidly changing social conditions, new administrative theories and new administrative devices. No better approach can be found to such a task than the study of administrative history against a background of social politics. It is to be hoped that Professor Caldwell's pioneering in this respect will be followed by others and that we shall shortly have an administrative literature with the vitality of life running through its pages.

News of the Society

THE annual meeting of the American Society for Public Administration which was to have been held with the American Political Science Association and the American Economic Association in Washington, February 1 to 4, 1945, was cancelled by the presidents of the three associations at the request of the Government. At a meeting of the executive committee called by the president, Luther Gulick, on January 31 in Washington, it was decided in view of the fact that the constitution makes no provision for election of officers except at annual meetings, that the officers whose terms normally would have expired in January 1945 should continue to serve until their successors are duly elected. This decision has the effect of continuing *pro tempore* the present officers and council members with the exception of Frank O. Evans who did not accept election as a member of the council. Mr. Gulick appointed John J. Corson member of the council to fill this vacancy.

Mr. Gulick announced that he had accepted the resignation of Gordon Clapp as editor-in-chief and had named Pendleton Herring of Harvard University to succeed him. In due time Mr. Gulick will announce the appointment of other members of the editorial board. The changes in the editorial direction are in accordance with the policy adopted at the inception of the Society's work, namely, that the editorial responsibility should not be long vested in the same persons. Leonard D. White served for two years as editor-in-chief, Mr. Clapp for two years, and changes in the membership of the editorial board have been made annually.

At the same meeting the president was authorized by the executive committee to proceed with the incorporation of the Society and to appoint a committee on corporate by-laws in which, presumably, provision may be made for election of the corporate officers in some such manner as will prevent in the future the difficulties occasioned by the necessity of cancelling the annual meeting in 1945.

A more complete review of the affairs of the Society will appear in the Spring issue of the *Review*.

Chapter News

THE Southern California (Los Angeles) Chapter held a meeting December 9 in cooperation with the Pacific Southwest Academy and the Planning Congress. Some hundred and fifty persons attended the four sections of the meeting, which began in the early afternoon and continued through dinner. Chapter officers and members cooperating in plans for this joint meeting were John M. Pfiffner, who is president of the Pacific Southwest Academy as well as of the Southern California Chapter of the Society; Garrett Breckenridge, chapter secretary and member of the program committee of the Academy, and John Steven, chapter vice president. Members of the Society who took an active part in the sessions were:

Alfred Campion, acting chief administrative officer of Los Angeles County, who was chairman of Section III on budget programming of public works
Fowler Jones, director of the Bureau of Budget and Efficiency of the City of

Los Angeles, who spoke on the "Los Angeles Six Cent Levy"

Charles W. Eliot, director of the Haynes Foundation, who was chairman of Section IV on "Urban Redevelopment" and spoke on "Interest of the Federal Government"

The Southern California Chapter has become one of the participating members of the Southern California Management Council, which is concerned chiefly in arranging for semiannual conferences devoted to discussions of the economic, social, and industrial management problems involved in postwar readjustment.

The Washington, D.C., Chapter held a dinner meeting January 10 at which Robert G. Albion, recorder of naval administration, spoke on the historical development of the organization of the Navy Department.

The round table on "Liquidation of Federal Agencies," under the chairmanship of Lt. Charles E. Mills, USNR, met October 31 to

hear Harold Merrill, now of the Bureau of the Budget, describe the liquidation of the National Resources Planning Board, and M. A. Stephens, now of the Federal Security Agency, describe the liquidation of the Civilian Conservation Corps. On November 21, the meeting was concerned with the handling of personnel in liquidating agencies. F. B. Brasseur discussed this problem from the viewpoint of the Civil Service Commission; Irving Posner, now of the Federal Security Agency, discussed it in the light of the experience of the National Youth Administration; and Ralph White, Bureau of the Budget, described the steps the bureau is now taking to assist agencies which may undergo liquidation. On December 5 the discussion was concerned with the handling of property and space of liquidating agencies, Lloyd R. Merrill of the Treasury Procurement Division dealing with the handling of property and Edward R. Whitman of Public Buildings Administration dealing with the space problem. On December 19, the round table topic was fiscal problems; Lowell Valentine of Foreign Economic Administration, Thomas W. Richardson, formerly of Work Projects Administration, and Dudley W. Bagley of the General Accounting Office participated in the discussion.

The round table on the subject of "Budgeting," led by Lt. Verne Lewis, USNR, met November 7 and 21, to hear Carl Tiller of the Bureau of the Budget discuss systems for controlling the number of personnel in various agencies. On December 7 Dr. Seckler Hudson, professor of public administration at American University, discussed her compilation of budget materials, much of which is yet to be published, beginning with the type of budget reports necessary for the Bureau of the Budget and the President. William A. Jump of the Department of Agriculture commented informally concerning the recently established organization of budget officials of various federal agencies.

The round table on "Administrative Services" first met October 25. Ralph White of the Bureau of the Budget discussed files and the use of microphotography in the disposal of agency records. On November 22 Colonel William Hart of the Selective Service System spoke on communications and messenger service. On December 27 Leon V. O'Reilly and Phillip Mixsell of the Treasury Procurement Division led a discussion concerned with re-

production and duplicating services.

The round table on "Comparative Personnel Administration in Various Countries," under the chairmanship of Lt. Don K. Price, USCGR, held its second meeting November 14 to discuss methods for recruitment and selection of higher administrative personnel in the various countries. Those who participated in the discussion were J. B. Brigden, counselor, Australian Legation; Donald Woodward, New Zealand Supply Mission; E. S. Sergeev, staff member of the secretariat of UNRRA; and Juan Santos of the Brazilian Aeronautical Mission.

The Massachusetts Chapter held a special meeting December 1 at the Boston City Club to hear the president of the Society, Luther Gulick, discuss "Current Administration Problems of Federal War Agencies." Under this topic Mr. Gulick described the creation of the various war agencies through the process of presidential executive orders.

On January 26, the Massachusetts Chapter met to hear the Honorable John J. Burns, former professor of law at Harvard University, associate justice of the Superior Court of Massachusetts, general counsel of the Securities and Exchange Commission in Washington, D.C., and special counsel to the U. S. Maritime Commission. His talk dealt with "Public Administration as Affected by the Growth of Administrative Law."

The Chicago Chapter held a meeting December 28 at the City Club to discuss "Civil Service—What's Wrong with It and What Can Be Done about It." Under the chairmanship of Mr. Donovan, the following panel led the discussion:

J. J. Donovan, acting director of the Civil Service Assembly of the United States and Canada

Clarence E. Ridley, director of the International City Managers Association

L. C. Gibson, chief field representative of the U. S. Bureau of the Budget

Joseph A. Connor, regional director of the U. S. Civil Service Commission

G. J. Klupar, commissioner of the City of Chicago Welfare Department.

Following the discussion, the chapter president, Joseph L. Moss, called the annual busi-

ness meeting, and the nominating committee presented its slate of candidates for officers for the coming year. The following persons were elected:

President—Marvin Osterman, director of the Division of Administrative Management of the National War Labor Board for Region VI

Vice President—Rollin B. Posey, director of the University College, Northwestern University

Secretary-Treasurer—Ernest J. Camit, chief clerk of the Cook County Civil Service Commission

The Minnesota Chapter held its annual meeting November 16 in Coffman Memorial Union, with some sixty members and guests present to hear the guest speaker, Dean William E. Mosher of the Maxwell Graduate School of Citizenship and Public Affairs, Syracuse University. A period for questions and discussion followed Dean Mosher's address on "Public Administration—Science and Art."

The chapter president, C. C. Ludwig; the vice president, Dreng Bjornaraa; and the secretary-treasurer, Lloyd M. Short, were all re-elected for the ensuing year. Continuing council members are Ruth T. Devney and Donald Nottage, who were elected in 1943 for a two-year term. Two new members elected to the chapter council for 1945 and 1946 are Victor Christgau, director of the Minnesota Division of Employment and Security, and Herbert Spencer, personnel officer of the Farm Credit Administration.

The Albany-Schenectady Area Organizing Committee scheduled a meeting December 5 at the University Club in Albany for a round-table discussion of "Scientific Purchasing as an Aid to Sound Public Administration." The principal speakers were Richard S. Persons, commissioner, and John T. Higgins, deputy commissioner of the division of standards and purchases, Executive Department of the State.

In the absence of chapter president M. P. Catherwood, vice-president C. A. Harrell presided. A chapter constitution was proposed and adopted by acclamation. The name of this chapter is to be the Capitol District Chapter. Officers of the organizing committee will continue to serve the chapter until elections are held at the annual meeting next Spring.

The New York Metropolitan Area Chapter held its second meeting of its sixth season on December 11 at the New York University Faculty Club. Louis I. Bennett, director of the New York City Veterans' Service Center, who has organized and directed the pioneer center for veterans to focus all official and unofficial community forces, federal, state, or local, to meet the problems of the returning veteran, discussed "The Veteran and the Public Service."

On January 9 the chapter met for a discussion of "Federal-State-Local Tax Relations" by a panel under the chairmanship of Luther Gulick, chairman of the Committee on Intergovernmental Fiscal Relations of the Secretary of the Treasury. Others who participated in the panel were:

Rollin Browne, president of the New York State Tax Commission

Joseph D. McGoldrick, comptroller of the City of New York

Mabel Walker, director of the Tax Institute

Paul Studenski, professor of public finance, New York University

The New York Chapter, at the instance of one of the municipal colleges, has created a committee on education to counsel with universities in the area on their programs of education for the public service. Chairman Pleydell has appointed the following to this committee: Chairman Henry J. Rosner, New York City Department of Welfare; Frank Calderrone, deputy health commissioner; John J. Furia, chief of the bureau of training of the Civil Service Commission; H. Eliot Kaplan, secretary of the National Civil Service Reform League; Albert H. Morgan, deputy commissioner of public works; and Maurice G. Postley, superintendent of school supplies.

The Portland, Oregon, Organizing Committee held a luncheon meeting November 22, at which J. W. Rupley, chief field representative of the U. S. Bureau of the Budget, outlined the background of the establishment of the field service in the Bureau of the Budget and told of some of its problems and activities to date.

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